SELLING INSURANCE by COOPERATIVE ADVERTISING

J. W. LONGNECKER

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SELLING INSURANCE BY COOPERATIVE ADVERTISING

By

J. W. LONGNECKER

Co-Author of

"Advertising Property Insurance"

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To

MY WIFE

WHOSE PATIENCE AND ENCOURAGEMENT
MADE THIS WORK LIGHTER AND PER-
SISTENCE IN IT A VIRTUE

PREFACE

It is not a confession of weakness, nor of fault, to admit publicly a great need for a better understanding by property owners of the broad principles of fire insurance and the application of those principles to every day business. That fact has been indelibly impressed on my brain by my daily work; as is the corollary that people do respond to earnest efforts to make plain the plan upon which stock fire insurance is transacted and the benefits and indemnities provided by the policies of the old line companies. Everywhere there are indications that it is imperative for local agents, as a class of business men, to eliminate from their work and from their contact with the public anything that savors of mystery.

The time has arrived when, in everyday terms, the cards should be laid on the table. The insurance business is beset with trials, and many, if not the greatest number of these trials can be traced to a general condition of misunderstanding. Nothing is to be gained by postponing any longer the study of ways and means of securing a better state of public relations. There is more mental floundering in our country at this time than ever before in our history. At this time when new kinds of insurance

protection are being perfected, the companies have a greater interest and more at stake than ever before.

The stability of the business of property insurance is dependent upon public confidence in the business methods of the local agents. And this confidence can be made secure only through the education of the public to an appreciation of what the insurance business actually does for the country and how it justifies its methods of operation.

There are many reasons to believe that the country is slowly being interested in stock insurance companies and their methods of transacting business through local agents. If I can trace this improvement in conditions to the efforts and initiative of individual agents, or to groups of agents, the condition of apathy and passive distrust in other places may be dissipated as more agents take up, in a determined and well advised way, the task of creating a lively public interest in insurance.

The proposition before us then is to help agents educate the insuring public to an appreciation of what the representatives of sound, well-managed insurance companies have to offer, so that popular opinion will not only prevent injudicious interference with the business of the agents and the companies, but leaders of popular thought will take an active position supporting the methods and the policies demonstrated as sound by the tests of time and calamity.

It would be a task of considerable magnitude to dig

the frequent references to the need of "educating the public on fire insurance" out of the correspondence that flows into the offices of the companies from thousands of local agents. However, every company executive knows that there is an earnest and insistent plea for help from every corner of the country, and that there is great need for better understanding. That is not all. Local agents by the hundreds are making such attempts as they can unaided to build goodwill for themselves and for the insurance business. Given even a minimum of help and encouragement, these agents will take up the work of popular education and carry it along with increased enthusiasm and intensified effort. They will gladly second anything done by the companies.

Brought down to terms of a community, the job of educating the people of that community to a fair appreciation of insurance can best be done by advertising. It can often be done by an individual agent. While the job is sometimes too big, and usually takes more money than an individual agency can command, that does not close the way to the use of modern advertising as an educational force. There remains the opportunity of pooling individual effort into a cooperative campaign, whereby the local agents of a city or town do as a group the thing they can not well do as individuals.

If it be true that "people are DOWN on things they are not UP on," it may be worth while to gather into a volume some observations on Selling Insurance by Co-

operative Advertising, based upon two decades of service in advertising insurance. This book goes out based squarely upon an abounding faith that it is worth while.

J. W. LONGNECKER

Hartford, Conn.

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SELLING INSURANCE BY COOPERATIVE ADVERTISING

CHAPTER I

WHY THERE IS GREAT NEED FOR A BETTER UNDERSTANDING OF INSURANCE BY THE PUBLIC

FIRE insurance is a business built entirely on confidence: the confidence of the great property-owning, premium-paying, insuring public in the insurance companies which guarantee that the property a man owns will be his to enjoy tomorrow, or that if it is damaged or destroyed the money will be forthcoming to replace it in like kind and character, and confidence in the agent who writes the policy.

The property owner buys a definite measure of service to be performed if he is visited by a calamity. That property owner cannot buy that service direct from a stock fire insurance company: he buys it from a licensed insurance agent.

The insurance company lives up to the agreement made for it by the agent. It is the agent who determines today what the insurance company will do months or years from now when fire destroys the property protected by one of its policies.

So it all depends on one man—the insurance agent.

He is the man who determines how far the company can go. If you are an insurance agent it is your job to anticipate the ways in which a fire (or other calamity) can cost your customer money, and to see that all these dangers are covered by insurance, for the company does exactly what is agreed upon between policy holder and agent. The insurance company cannot do less, and it cannot do more.

Nor is that all. It is not enough that the owner be fully indemnified for the actual destruction of his property by fire. The story is not finished until life has been resumed in the restored home . . . or business is being carried on in the rebuilt factory. Business must be kept alive over the long and costly period between the time of paying the direct loss by fire and the complete restoration, usableness, or productivity of the premises.

Surely, as one of the local agents of America, you can say:

The Insurance Agent is as essential to the welfare of your community as the doctor who guards its health or the policeman who patrols its streets.

Through the organization he represents, he makes it possible for business to function on a large scale—makes it safe to ship valuable merchandise by rail or sea—to finance stores or factories —to build fine homes—to collect fine works of art.

Nominally, the insurance agent sells insurance—pledges to reimburse you in the event of loss. But actually, he sells something of far greater importance than that. He sells peace of mind—contentment. He guarantees that the property you enjoy today also will be yours tomorrow.

Your insurance agent deserves your confidence. Consult him as you would consult your doctor or lawyer. Let him give you something more than an insurance policy. Let him give you real constructive insurance service.

But some insurance agents say other things as well. They say, for instance, that people give but little thought to their insurance needs; that the local agent, as a class, is more misunderstood than any other business man in a given community; that people buy insurance upon the active solicitation of an agent because they must do so, not because they are convinced that it is good business to do so; and that nothing can take the place of the personal contact of the agent in building up a volume of business for an agency. Yes, the insurance agent talks along this line to great length, and he knows whereof he speaks.

And then, as he warms up to the subject, he asks,

"Why is it that there is such a general misunderstanding about *my business?* What can I do about it?"

Breaking the Proposition Down

This insurance agent's questions are interesting and they are timely. Suppose the proposition is broken down and considered in its relationship to the individual agent. And while the scope of the study is restricted, at the moment, to the individual agent, suppose the range of it and the extent of its ramifications are broadened to

take in the whole matter of the public relations of the fire insurance business.

Not long ago an insurance man who is seeking more light on this something called "public relations," went to lunch with a doctor who answers the roll call at his Exchange Club by saying "bones and joints." That doctor's hobby is people; their actions and reactions. He talks about people from soup to salted almonds. In the monologue that day he made a good point from which to work, for he said: ". . . the trouble with the world—the difficulty that leads to so much misunderstanding and misery, is that people do not think with their brains but with words. It has been demonstrated that if the nerves in a man's body having to do with the formation of words (whether those words be uttered or not) are destroyed, the ability of that person to think is gone. It is by means of words that we make pictures, create mental images and convey ideas to somebody else. It is by the words we read, or hear, that we get our own mental images of things seen, or unseen, and impressions of actions upon which to build our own ideas. But the sad part of it is this: the same words do not mean the same things to all people. That's how misunderstandings come into the world."

Was that doctor right?

A lumberjack with a broken leg was taken to a hospital for treatment. After the leg had been set, the nurse asked him how the accident occurred.

The Insurance Agent
essential to the welfare of any community
The insurance agent is as essential to the welfare of your community as the doctor who guards its health, or the policeman who patrols its streets.
Through the organization he represents, he makes it possible for business to function on a large scale—makes it safe to ship valuable merchandise by rail or sea—makes it possible to build fine homes—to collect works of art and to finance stores, factories and farms.
Nominally, the Insurance Agent sells Insurance—a pledge to reimburse you in the event of loss. But actually, he sells something of far greater importance than that. He sells peace of mind—contentment. He guarantees that the property you enjoy today will also be yours tomorrow.
Your insurance agent deserves your confidence. Consult him as you would consult your doctor or lawyer. Let him give you something more than an insurance policy. Let him give you real constructive insurance service.
Why not devote to the PRESERVATION of your property, the same energy and resourcefulness you used acquiring it. Tell your Insurance Agent what you have and he'll tell you how to keep from losing the money that it represents.
This Advertisement Is Published by the Following Agencies of Old Line Stock Insurance Companies.
ALLEN, RUSSELL & ALLEN, 309 Pearl Street.
BEACH, FORMAN & CO. 89 Pearl Street.
BEARDSLEY & BEARDSLEY, 670 Main Street.
HAROLD J. BEARDSLEY, 647 Main Street
G. S. BUTLER, INC. 75 Pearl Street.
HARVEY B BRAINERD, Mfd.-Ct., Trust Bldg. Rm. 304.
SILAS CHAPMAN, 102 Pearl Street.
HERBERT F. FISHER, 983 Main Street.
JOHN F. GAFFEY, INC. 75 Pratt Street.
HAROLD HOLCOMB, 49 Pearl Street.
W. R. PENROSE & COMPANY, 30 Pearl Street.
ROBERT C. KNOX, 114 Pearl Street.
ARTHUR LEWIS & COMPANY, 36 Pearl Street.
McMANUS & KENNEDY, 49 Pearl Street.
A. B. RIDDELL, 71 Pearl Street.
A. R. WOODFORD, INC. 903 Main Street.
W. A. SANBORN, 36 Pearl Street.
WAKEFIELD, MORLEY & CO. 197 Asylum Street.
WEBSTER & COMPANY, 721 Main Street.
WALKER & SMITH, 406 Main Street.

FIGURE 1. THE FIRST ADVERTISEMENT OF AN EXTENDED CAMPAIGN

The space, 17 inches over 5 columns. It was published in the *Hartford Courant* on June 1, 1922.

"You see, ma'am, it was this way: I was skyhooking for the Potlatch Lumber Company and I had one ground mole. He sent up a big blue butt and she was a heavy one. I saw her haw and yelled to him to give her a St. Croix, instead of which he threw a sag into her and gunned her, and that broke my leg."

"Yes," the nurse replied, "but I don't exactly understand."

"Neither do I," said the lumberjack. "That darn fool must have been crazy."

The lumberjack spoke the language of the big woods, but the nurse listened with the ears of the hospital. Yet sometimes underwriters speak a tongue as strange to the man on the street. If people think with words, then your first problem in any public relations work that you may undertake is to tell the story of insurance in a language that is clearly understood.

The Insurance Agent is an Interpreter

It is your job as an insurance agent to make this business plain and understood to all men. You go forth each business day the interpreter of a great service, a misunderstood service, and it is no insignificant task to take a business around which there has grown an air of mystery and make that business interesting to people by giving it attributes anybody can understand. As an agent you must take insurance apart and show what makes it tick. However, there is this encouraging feature about it,

No business was complicated and technical at its start. All the activities which are known as "business," including fire insurance, were started, once upon a time, by a few men who put the simple, easily understood principles of economics to work to accomplish certain desired results. The few pioneers in the new enterprise drew others around them and the resulting organization, whatever it was, grew and became big, and then it became complicated and less comprehensible to the busy men engaged in some other line of daily occupation, dealing with a different set of forces and strange substances and laboring in an environment separate and apart. In their daily associations one with the other, the men in the first group, the fellows on the inside, centered their minds upon their problems and their tasks and developed a nomenclature of their own—a short-cut of language. Words, nouns, verbs, and adjectives adopted from a common vocabulary, or coined to fit special needs, came in time to take on specialized definitions and shades of meaning when used by the men engaged in that line of endeavor.

But, sad to relate, these men did not leave their created words and their shades of meaning in their offices with their ledgers and their formulas. In their turn they used their shop phrases in their daily intercourse and this mysterious use of words thus gave birth to misunderstanding. Misunderstanding is the father of mistrust. It is at the base of the whole problem of public relations.

Insurance has no monopoly in the matter of a public

relations problem. It is one of the common ills of modern industry. Big business is especially susceptible to it, as witness the troubles of industries such as the public utilities, automobiles, the railroads, Wall Street, advertising, and the like.

When a Business Draws Away

A business of the people and for the people draws away from the people and becomes a thing apart. When that happens, the first step in solving any problem of public relations, which is the wiping away of misunderstandings, must be taken in unscrambling that business and finding words which mean to the hearers of them exactly the thought the speaker intends to convey.

This problem of public relations did not come about all at once, as a bubble bursts. It came with the passing of the old town meeting, where one could express his views and try to convert the public to his way of thinking or be, in turn, guided by the opinions of others. It became acute with the disappearance of the court house square where one rubbed elbows with one's neighbors and acquired a reputation among them for better or for worse.

As an agent you are an interpreter. You are a salesman out on the street trying to influence the actions of others. As a business man you start out in the morning to try to influence the thoughts and the actions of potential buyers of insurance, and you succeed as you get these people to

see things your way. There is no trickery in this. It does not mean that every time your arguments influence another you do it to the other's hurt or at the expense or cost of the man influenced. If you show a man how to save money, or use a new safeguard to some dangerous process, or make a profitable investment, the idea is the same. As a salesman you must influence that man to do the thing that you want him to do.

Getting Believed In and Accepted

H. A. Overstreet says, in the preface to his splendid book, *Influencing Human Behavior:* "We are simply trying to come to some manner of understanding about what is the central concern for us. . . . Life is many things: it is food-getting, shelter-getting, playing, fighting, aspiring, hoping, sorrowing. But at the center of it all it is this: it is the process of getting ourselves believed in and accepted."

Getting oneself believed in and accepted is the very heart of this thing called public relations; although the text-book definition is "the process of finding out, and of making known, the factors in an enterprise which are of interest to people."

It is possible to make the subject of insurance so interesting that men will give it their attention gladly and willingly, for the lure of the hunt is deep in everyone. People love to discover things for themselves when the trail is hot and the going is not too difficult. Get

people sincerely interested in you and your daily work and you need worry no longer about how to increase either premium income or bank account.

Of course it is going to be hard to take the business of insurance to pieces and show what makes its wheels go round. Try to tell a disinterested property owner what insurance men mean by "insurable interest" in the same tone of voice and in the same phraseology the examiner at the Home Office uses in discussing some complicated situation with a local agent, and your prospect will yawn and walk off, but talk to him in language he understands about his property and his liability to loss and he will listen and appreciate your advice.

A Mistake Insurance Makes

We who are in the fire insurance business are making one mistake, a big mistake, in our public relations work. We are prone to apologize for what is sometimes called the technicalities of the business. We admit, and by admitting give color to common report, that nobody reads and understands a policy of insurance.

What happens when that is done?

The man on the street, with some little excuse because the example has been set him, takes up the admission of technicality and, in his careless way tells a neighbor that the fire insurance policy is deliberately printed so nobody can read it and understand it. When he makes that state-

ment he is not set right and the next neighbor is told that the companies deliberately print the policy so nobody can read it in order that the companies can cheat honest men out of just recoveries.

Don't you see how easy it is for stories to start—like the one about the two castaways on the desert island, starved near unto death, who saw a sheet of paper floating in on the tide, which upon examination proved to be an insurance policy with provisions enough to last them for six months?

Would it not be good business to resolve here and now never again to listen to the allegation that nobody reads or understands a policy of insurance, without putting up a fight for it as one of the fairest contracts ever drawn by man? Every agent should build for himself a little talk to prove that the standard fire insurance policy is a document intended to afford property holders full, fair, and prompt indemnity for loss, up to the limits set by the price paid for it, built up by years of experience to meet conditions of a life that is growing more complicated in its relations and business connections every day—and the standard policy does just that.

It is indeed a sad commentary upon our skill as explainers that people who can master the intricacies of an automobile and talk knowingly of carbureters, gear shifts and ignition systems cannot be taught to understand a fire insurance contract.

Translating a Policy

The publisher of a business magazine once wrote to an advertising man and said: "I'll pay you $100 if you will take a fire insurance policy and translate it into English." It would have been a regrettable mistake had that writer tried to do anything of the sort. But he saw the pitfall and answered: "Try reading a policy just once. You will find that it will scan or parse, or stand any test of grammar or construction you may apply to it. Furthermore it will stand the test of the courts, for it says exactly what its signers intend it to say and will pay any honest loss its holder is entitled to recover."

The Lime-light is a Cruel Light

Before tackling some of the ways in which you can go about the job of capturing a little, or a lot, of the attention that is so necessary to success in your field; before discussing some of the ways you can use to tell your story and get yourself believed in and accepted, there is a thought that should be presented. The lime-light of public attention is a cruel light. It is somewhat like the new ultra-violet rays that cure when properly used, but may kill. The spot light of public notice illumines the person on whom it is thrown: it shows up those who are strong and lets the world see them as they are, but it will as relentlessly attract attention to the weaknesses

of the man who cannot hold his place in the competition of the times.

There is a lot of fight in modern business. All new ideas must fight with the old. Insurance, and insurance agents, must fight the traducers of insurance. Insurance must combat its ignorant attackers and accusers. It must fight for its principles and its ideals of service. How better can it explain its methods than to take the positive side of every controversy and say boldly that it maintains this or that premise because of such and such reasons? When the world learns that insurance will fight back for its principles, people will be a bit careful how they tramp on its toes. But to wage a successful battle, insurance must get people to join with it in its fight for a place in the sun of popular acceptance. It will not do to say: "Come watch me demolish that idea which is false to insurance." Rather as an insurance agent you can successfully say: "Come, let's join in this fight for sound indemnity." The secret of all power to influence the thinking of another lies in the ability to get the other to participate in the sort of thinking you are equipped to lead.

Insurance says that it is taxed too high. It says that and nobody gets excited about it. Indeed, every man thinks he pays too heavy a tax. Say to people, in private talk or public story: "Come, join with me for a proper revision of the taxes on insurance because you are paying those taxes; the insurance companies only collect

them and pass the cost along to you in your insurance premiums. . . ." If you, and every other agent, would do that, with illustration, and incident, and good plain argument, every editor in the land would help in the fight for better tax legislation, for he would have a chance to champion the cause of his friends and neighbors, the readers of his paper. But nobody other than insurance executives is going to get excited over the insurance company's tax bills until the people who pay the bills are shown how they personally are affected by the tax levies and what they can do about it.

How Insurance Agents Can Fight Back

Much evidence can be presented to show that the critics of insurance practices, insurance methods, and especially the insurance policy are encouraged in their attacks by insurance men, and the insurance agents constitute the largest class of those who go by the name of insurance men. If the agents would line the insurance-buying public up behind them and fight back, it would be but a short time until to make wild statements about the business of insurance would no longer be popular, and then people would no longer brag, as so many do now, "I never read an insurance policy in my life. It is too long. The type is too small. I just can't understand anything about insurance." Few people seem to realize that the contract they accuse of being deliberately made confusing is actually written into the law of the land, and

the exact wording, yes, even the size of the type, is governed by law.

An advertising man made a speech in 1928 before a convention of insurance agents at which he rubbed salt into this open wound of misunderstanding by saying that he or any other intelligent man would "get " (by which he meant "understand") a sales talk about a policy that provided that "This Company bets you $10,000 to $150 that your cashier will not run away with the till." Of course a policy does nothing of the kind. When you hear something of that sort said, stand right up and say: "Just a minute. We who are living by insurance have been working and perfecting the business, especially the fire insurance business, for a long, long time; ever since the great fire of London in 1666 at least, and we have been making it better, safer, and broader in its forms of coverage each year. Instead of asking us to scrap the contracts of a business that holds the credit fabric of the world together, and remaking those contracts solely to have something that it is easier and simpler to write and to talk about; would it be unreasonable for us to ask you men who are shaping the thinking and the buying of the public to take insurance as it is and after studying it apply your skill to helping us tell our story in an interesting way. Teach us to dramatize the business as it is and so attract attention to it. People who understand insurance best wish to change it least."

That is the challenge insurance should toss into the

laps of business writers and after-dinner speakers. Does advertising, for instance, insist that Ford and Chrysler and General Motors make over automobiles because women are more used to the simplicity of hooks and eyes than they are to bolts and cotter-pins?

Mass Thinking Creates Misunderstandings

In many ways the misunderstandings that are at the bottom of the public relations problem are the by-products of mass thinking, and the cure, or the improvement, lies in the control of the avenues of communication; the means and the methods of spreading public intelligence; the news channels and the pictures, the various means created to bring to all of us, each day, the thoughts and the performances of the world. Our provincialism has been forever broken up by the newer and improved methods of spreading information.

If old superstitions tell us that the hair of a dog is good for his bite, does not our reason and our recently acquired appreciation of the forces of controlled publicity tell us that we must turn to the sources of mass thinking for the attention needed to make insurance and the men who *sell insurance* believed in and accepted?

It will be noted that the words "sell insurance" have been used. Deliberately so. That was done because nothing is to be gained by high-hatting the public. If the sale of insurance is something that a self-respecting man should shun or be ashamed of, there is nothing more to

say. The American public knows that publicity, sales efforts, and advertising, are all used to increase the sale of things; as well as that profit is the aim of business. No progress is made when a man, or an industry, tries to cover up the fact that business is being transacted for a perfectly legitimate reason—which is to increase sales and make more money.

So there should be no kidding of ourselves about this job of capturing our individual share of attention. At the rate we are living; at the speed we are moving; with the constant battle of industry with industry going on round about us, creating an abundance of interesting things to do, nice things to have and to long for; there is small hope that insurance or any other great activity will ever again see the day when there will be no public relations problem—the problem of getting ourselves believed in and accepted. That problem is like the struggle for life; it must be kept up, though the heavens fall, as long as there is a wish to survive.

And staggering as has become the proposition of the interrelation of insurance and insurance agents with the world at large, it is complicated and brought out in clear relief by a new something—a something that has come about since the World War; a something that has been given the colorful name of "The New Competition."

CHAPTER II

EFFECT OF THE NEW COMPETITION IN THE WORLD'S BUSINESS ON INSURANCE AGENTS

ON page 375 of a book called *Our Times* Mark Sullivan paints two word pictures. One is of Fifth Avenue, New York, in 1900: an avenue filled with horse-drawn vehicles—and a solitary automobile. The other is of the same Fifth Avenue in 1924: an avenue filled with motor vehicles—and a solitary horse.

At no other time in all history will you find recorded a change like that.

In commenting on that change, Robert R. Updegraff starts us along a line of thought that has a bearing upon this study. He calls attention to the fact that something has happened to America. Updegraff says:

> It is not the *fact* so much as the *speed* with which this startling change has come about that is significant. It is illustrative of the something that has happened to America since 1900. That something is a *complete change in tempo.*
>
> This it is that is beginning to interest all thoughtful business men, and to concern not a few. In the last century the business man had to reckon with material, machinery, processes, labor, capital, and the competition of his fellows in the market. Over a

period of years almost any normally intelligent and aggressive man could hope to build a substantial business if he went about it with singleness of purpose and was able to convince the local bankers of his integrity.

Today a new factor—the new American tempo—changes the whole problem of building a successful business. Materials, machinery, processes, labor, capital and the competition of other men in the same business are beginning to be almost secondary to it, as an increasing number of business men in widely separated fields are discovering to their sorrow or delight, depending on whether they have missed this tempo *or caught it* and synchronized their enterprises with it.

The new American tempo is manifesting itself in a number of interesting ways:

First in the public's disconcerting willingness to turn its back on established institutions, products, methods, ideas, as evidenced by the rusting rails of hundreds of abandoned trolley lines, by the difficulty a woman with long hair has experienced for the past two years in finding a hat large enough to fit her head; by the ruthless wiping out of denominational lines and the establishment of broad "community" churches; and the fact that the only thing that saved the great solidly entrenched phonograph industry was the timely introduction of a new and vastly superior machine built on a new principle.

Next, in the public's promptness, amounting almost to aggressiveness, in accepting new products, new methods, institutions and ideas. Witness radio, the auto bus, the metropolitan tabloid newspaper, the air mail, gas and electric refrigeration, pale ginger ale, traffic lights—not to comment on the celerity with which the nation accepted halitosis, and four out of five of us embraced the fear of pyorrhea.

Updegraff, and scores of others, give us a glimpse of the speed of the age, a speed that is an important ele-

ment in the new competition that has such an important bearing on insurance.

The New Competition's Effect Upon Local Agents

But there is another, perhaps a more important angle for you to get clearly in mind, for it, too, has a bearing on the new competition that deeply affects insurance—and insurance advertising.

That second important angle is the new, intense, competition of new products; new selling methods; new forms of insurance; new ideas and new methods of dealing with the public, all of which result in new and powerful appeals for the dollar in your prospect's pocket.

No longer does a wise insurance agent glance across the hall, or down the street, when he speaks of his competitors. The contest between competitors has changed from a battle for a given piece of business, or a line of insurance, to a fight between materials and industries.

Merle Thorpe puts it interestingly in *Nation's Business:*

> Oil is fighting with coal, in the job of heating your house, when along comes gas and proposes to take the trade away from both.
>
> You need new office furniture and Sheet Steel cries "Buy me" while Wood says, "No, I'm better for that use!"
>
> Electricity offers to cool our food, but the ice block will not surrender to the copper wire without a struggle.
>
> Twenty-two groups spent some $30,000,000 in 1926 to promote the use of lumber substitutes. One unit of the lumber industry came back with a $5,000,000 appropriation to tell its story.

The local agents all over the country, those who gather in groups to discuss such things, or plan advertising to help meet the needs of the times, or read books as you are doing, are fighting quietly, and more or less effectively, for the adoption of anti-shingle-roof ordinances. During the five years before 1927 the red cedar shingle industry of the Pacific Northwest suffered a slump that paid high tribute to the efforts of the insurance agents. The wooden shingle industry said that the "fire ghost" was responsible for reduced sales. Then the shingle men turned to advertising and staged a comeback that resulted in a price increase that amounted to 5 cents a day for several days in August of 1927. This campaign which started about a year previous was intended to nullify the work of the local agents and other fire prevention forces. Here is a part of the program as given in *Printers' Ink* of September 15, 1927.

> But the legislative angle presented another important problem. Before sales promotion work could even be attempted in many communities with adverse city ordinances against the use of wood roofing, these laws would have to be repealed. In other cities where such ordinances were being proposed, this legislative activity would have to be blocked. During the last year several anti-shingle ordinances have been repealed, and in eighty-five cities where anti-shingle ordinances have been proposed the shingle interests have succeeded in holding up action indefinitely.

Here you have an example of the new competition dumped unceremoniously right into your lap.

There is another gage of battle. It was thrown, as a politician tosses his hat into the ring, by the world's largest organization of advertising agents, N. W. Ayer & Son, Philadelphia.

It was recently published in the form of full-page advertisements which said to some four or five million families:

There will be only about so much money this year—but desire seems infinite.

Mother's laudable ambition is to move into a house on fashionable Willow Terrace—no larger but considerably more expensive. Father already has a radio, but last night it was criticised severely by his seventeen-year-old son. A better one was mentioned—only a little bit more expensive. The car no longer behaves nor looks like a yearling. They have about made up their minds to a new one—a better one. And at the house on Willow Terrace, with its two-car garage, they will in all probability buy a second, smaller car—for use by the children. Mother and daughter have their critical heads together, as they talk of frocks and coats and dinner dresses.

Father's income is sizable, but it cannot begin to go round.

It (that income of dad's) is being competed for day after day as definitely as though automobile salesman and radio salesman, realtor and designer were to surround father and his pocketbook in a jabbering entreating ring. It is being competed for much more subtly and much more persuasively—on the printed pages of newspapers and magazines.

And that all too accurate account of what is actually happening may well make those of us engaged in the sale of any form of insurance pause to ask ourselves: "How does my business fare in this new competition."

In the old days, say in that distant past of twenty years ago, coal mine competed with coal mine, railroad with railroad, grocer with grocer, druggist with druggist. And we may add: insurance agent with insurance agent.

When All Merchants Become Competitors

Today the real competition is between each individual merchant or dealer in radio receivers in a town with all the piano salesmen of that town; and between all the experts who would install and service an oil heater with all who sell electric refrigerators; between the moving picture industry and "the book of the month club" and all of the salesmen of all of these things (as though in a great combine) are in competition with the insurance companies and insurance agents; this is your competition. And while the competition of these several industries is keen, relentless, and intense in its sales and advertising campaigns for public notice and public favor; the actual sales competition is keenest at the point of contact where the salesman meets the man with a dollar to spend. The battle may be planned back in New York, or Detroit, or Hartford, but the first line trenches, the no-man's land, is in your own home town.

Of course, the more property—the more radios and automobiles, fine furnishings for his homes at the lake and on the boulevard, a man acquires—the more he has to insure provided *you get to him and sell him insurance*

while he has money left with which to pay the premium.

That's the rub.

In this new competition, more than ever before, insurance must be sold. So many wonderful things are beckoning for the property owner's dollar that he will (if you do not prevent his doing so) forget his insurance needs. If he does not go without any insurance he is tempted to carry only such protection as his banker or other creditors demand for the protection of mortgage interests. However, the man with the dollar is not permitted to lose sight of the demand for his dollars to buy the hats and dresses; the second car, or the new invention which his family is clamoring to have and which he, too, secretly longs to possess. He is human and wants to keep up with the Joneses.

Nor is that all.

The new competition cannot be satisfied with the few dollars in a man's pocket. It is estimated that five thousand million dollars of our purchasing power for this year was spent in last year, and there is no sign that next year's income is not as heavily pledged this year. Automobiles, radios, pianos, washing machines, oil heaters, electric ice boxes, furniture, engagement rings, books, furs, clothes and thousands of other things are being sold on the dollar down basis. Insurance is not sold that way, but insurance will not be sold in the kinds and in the amounts called for by the normal increase of wealth, unless pains are taken

and plans are laid to go out and convince your customers and prospective customers that insurance on what they now have comes ahead of buying more things upon which to take chances with possible loss. Indeed, many insurance men are convinced that there will soon be no leavings for the local agent who puts his faith in the renewals that just come to him. It's like longing for a return of the good old days, which are gone forever.

It will not do to think that this picture of the new competition is a man of straw, set up to be knocked down by advertising or by the writer of a book.

It is natural and quite proper to think of advertising in connection with the new competition because advertising has been used, on a tremendous scale, by these industries that have been mentioned to do *quickly* the things it would once have taken a generation, or a century, to accomplish.

Keynote of To-day's Business is Speed

Today the keynote of business is speed. That is in keeping with the quickened pulse of the time. You see evidences of it everywhere. The man whose day is ruined because he missed one section of a revolving door or the staid old chairman of a board who jumps into a limousine or taxi with an order to "Step on it," are simply responding to the demand of the time for more speed.

One student of the trend says it this way: "Have what

you want, do what you want to do, be where you want to be—and *without waiting.*"

"The broad and rapid transmission of news and ideas has done its share to speed up American life," says another.

Advertising, by spreading in tantalizing manner on attractively printed displays in newspaper and periodical the urge to buy now and pay another day, helps keep up and intensify this new competition.

There was a time when words out of the mouth of agent or salesman to purchaser were depended upon for telling news and for registering ideas of life and business and merchandise. Then people were slow to take up with the untried. New ideas were then presented infrequently. Competition for the known wants of the buying public was a competition of price and quality coupled with personality and a record of service.

Now, the insurance man's fight is for notice; for a chance to hold the attention of a buyer of insurance long enough to make an impression, after which it becomes a battle against being forgotten in the clamor of other ideas and seemingly more desirable goods, or fleeting pleasure of some appealing kind.

Can Agents Control Mass Thinking?

Out of the clamor of this new competition has come what advertising men call mass thinking. This is the kind of thinking that will result in another craze like radio;

or a fad like bobbed hair; or motor bus transportation; or prohibition; or golf; or prize-fighting; short skirts; two cars to a family; more pictures in newspapers; oil burners; refrigeration; aviation. All of these things are the result of mass thinking. Mass thinking has shown up clearly since the war, and insurance agents are realizing the possibility and desirability of directing mass thinking along lines of sounder insurance practice and toward adequate insurance protection as a safeguard against the shocks and hurts of business calamity.

But property owners in your community will not think about insurance as a business having a claim upon a larger part of their purchasing power, until you give them facts and arguments to think about.

A quarter of a century ago men became convinced of the fallacy of secrecy in business and began to invite the public to get acquainted with all kinds of business through the medium of business papers, newspapers, magazines, and printed books.

Then business learned that public opinion is founded upon what is said and printed, but is best controlled and directed by facts interestingly and forcibly presented in the form of advertising.

Business Must Meet a New Competition

In the group composed of the businesses or industries of life insurance, fire insurance, public utility, electrical utility, bread making, men's apparel, soap, and others,

are business men who do not do things by halves. At the same time, you will recognize businesses that have not, until recent years, had the type of competition common in the general manufacturing and merchandising lines.

Let's take insurance and study that. It is a reasonable and a safe assumption that the leaders in the business realize that working as a unit, any industry, even insurance, at a slight cost in comparison with the benefits to be derived, can open up its markets and intensify its sales far beyond the powers of its individual members working separately and purely competitively.

The insurance executives know that insurance is adversely affected by the appeals of the leading industries to the consumer for his dollar. They know, because they, too, are consumers, how each industry is striving for a place on the family's budget.

If you will analyze your own experience as a consumer, a householder and a family man you will realize that people, when they spend their money, go through two processes of thought. First you think of the things you have been led or educated to consider your basic needs. For example, you say, "Shall we have a radio?" If you and your family decide that you must have one, the second process of thought is, "Whose radio?" First, "Shall we paint our house?" Second, "Whose paint?" And so on over the list of wants.

And unless some selling influence or public opinion

leads the people of your community to the first process of thought in connection with insurance, "Do we need insurance on the automobile?" or "Are we adequately insured against loss by fire?" there will be no financial provision for insurance and no favorable reception when you call on your prospects.

Must Speak When Money is Spent

It is when money is spent in the consumer's mind that insurance companies and insurance agents need to speak with one voice to put before the prospect insurance's most fundamental and least selfish sales appeal. Win the prospect's mind and get him to admit to himself that he ought to have insurance and you make sure that some insurance agent for some insurance company will write the policy. Lose the prospective policy-holder's attention and no insurance agent gets a commission and no company gets a risk. What agency and what company gets the business is not nearly so important as the fact that insurance is to be written.

The Companies Must Solve Their Own Problem

The fact that there is a diversity of opinion among company officials, and that some heat and feeling appear in such views on the use of advertising as appear in the insurance press, gives no cause for alarm. The controversy is largely over questions of the application of the principles of advertising to the business of insurance. The

problem of how best to advertise insurance is one for company executives to solve and it will be solved by frank discussion, deep study, and the clearing processes of time and experience.

It is better so. Nobody with a deep, abiding interest in the growth and development of insurance wants any company, or group of companies, to rush into poorly planned advertising just to be able to say that insurance as an industry is advertising.

The New Competition Catches the Agent First

While this new competition is essentially a fight of industry with industry, it is a fight that catches you in your field, and you will either suffer great loss or enjoy great prosperity, depending largely upon what you do to win popular approval of the service you render. The way you meet it is the crux of the whole matter. A company can help but it takes an aggressive agent to tie up and make effective any company's effort.

As an individual agent you have the competition of the new order of things to meet and usually, in addition, the sales problems incidental to your own agency, your own community, and the age-old competition of other insurance agents.

As an individual, you must hold yourself ready to act, and act quickly, in interpreting the signs of the times. You must "sleep like a fireman, your helmet on a hook," ready to battle for your share of business with a public that

reveals an amazing willingness to toss aside old methods and old associations. You must deal with a public that is willing to take a desperate chance without considering the ultimate cost of that chance.

You are up against the necessity of seeing to it that you and the insurance you sell share in the hum of the family talk; that you are not forgotten in the buzz of conversation when the question comes up of how and where the family dollar is to go, and for what.

A push for business often results in a resistance against a salesman, whereas the pull of demand, or the easing of resistance by a sustained public opinion and an active good-will help build up in the minds of people of any home town an understanding of the benefits of insurance which in time helps along the sale of a specific policy.

You may well say that it may fill out the bulk of this book to discuss generalities, but what you want to know is how to sell more fire insurance, or rent insurance, or tornado insurance. On your ability to make a living for yourself and wife, to hold your pet lines, to get your balances in and show a profit for yourself and your company, hangs the difference for you between Heaven and Hell.

CHAPTER III

THE PROBLEMS THE LOCAL AGENT MEETS IN ATTRACTING HIS SHARE OF FAVORABLE ATTENTION

IF the reader remembers his *Alice in Wonderland,* he'll undoubtedly recall that part where the Red Queen takes Alice by the hand and they rush along at a great pace and when they stop Alice looks around and says:

"But we are just where we were when we started."

"Yes," replied the Red Queen, "if you want to get somewhere else you must run at least twice as fast as that."

The new competition and the speed with which things are done makes the Red Queen's philosophy true of business today—true of your insurance agency—true of the companies represented in your insurance office. All insurance men have got to run faster than we ever did before just to stay where we are, and to get ahead we must run twice as fast.

But running faster doesn't necessarily mean legging it over more territory, seeing more prospects, breaking speed records, getting up earlier, working later. It means chiefly thinking faster, planning more intelligently, cover-

ing more mental ground. The fast workers never seem to hurry. They appear rather deliberate. They're never out of breath. They appear to have plenty of time. They are fast workers from the standpoint of results. They know where they are going—have planned it in advance—so they do not waste energy or time exploring by-paths or running around in circles.

What is the Agent to Do?

Just what must an insurance agent do to get somewhere? If one could answer that question off-hand, the sweetest rewards in the world would be his compensation. Profit and honors would rain on him like a summer shower. Once more the big problem must be broken down to terms of an individual or a community.

But suppose, for one thing, the individual agent takes himself over in a corner and reasons thus: The old order has changed. Business is running in high gear. I must run faster just to stay where I am. I must double that speed to get ahead. Am I thinking just as I thought five years ago, ten years ago? Am I selling insurance in the same old way? If I am, how can I get in step with the times?

If an agent will do that, one of the things he may find is that his agency has become so much a part of the skyline of Main Street that it is just a sort of blur. Nothing about it is individual—no distinguishing features to separate it from the row. There is no unwritten law under which an agent's place of business should be carefully con-

cealed from the public's view. He has his front and he has his windows to do with as he pleases. Also, his interior is his own. Making it attractive, inviting, different, isn't a matter of money. It is more a matter of thinking, showmanship, salesmanship, advertising, an appreciation of human nature.

Even an Office Can Reflect Speed

An insurance agency office is pretty securely anchored to its foundations. It cannot in itself show much speed. But it can reflect speed, it can suggest action. It can impress upon the public the idea that the moving spirit of the agency is really moving, really alert, really forward thinking, crazy about his job and boiling over with the idea of helping folks do their worrying.

An Epochal Day in Insurance

The first day of October, 1928, should go down in insurance history along with the days of the London fire, the burning of Chicago, and a certain April day in 1906. On that day the National Board of Fire Underwriters published the first of a series of its messages to the people of four states (later increased to five states) in a campaign of educational advertising.

Who can measure the possibilities hinging upon that event? Perhaps, for one thing, it will wake up the editors and writers of America to the job of clearing away the fog of mystery and misunderstanding that has come to

surround insurance; a fog of misunderstanding that exists because insurance is different from food and clothing and shelter. It is a contract of indemnity; not a commodity. The local insurance agents, working in every city, town, and village, have a most important part to play in this first definite attempt to better the public relations of insurance. They have the facts about how insurance serves life and industry. Living with these facts it is up to the local representative to learn how to make his facts attract attention and arouse interest.

And back of the individual agent, back of you if you are an agent, stand the 229 stock fire insurance companies; a group that transacts more than nine-tenths of the fire insurance business of this country. These companies have gone into the job of bettering the public relations of the insurance business in a very definite way and with an unusual plea. They do not seek more income, but merely a better understanding of the business of fire underwriting. Through the central organization of the National Board of Fire Underwriters, guided and directed by the Public Relations Committee of that Board, there is being built up behind you a background that has as its purpose greater public use of the Board's facilities in the scientific prevention and control of fire—to the end that you may render an even greater service at a lower cost to the insuring public. As the campaign develops it will be seen that fire underwriting as conducted by the stock companies is much more than paying losses, measur-

ing hazards, and collecting premiums. It includes, among many other services to American business, the conservation of life and property, which in turn involves extensive research, engineering, laboratory tests, actuarial compilations, and educational work.

This campaign has taken a very tangible form. Perhaps as time passes and the experimental stages are worked out, it will be extended and its scope greatly widened. However that may be, a definite accomplishment can be marked up. Insurance has taken its step and it is very decidedly a step forward.

Companies Cannot Succeed Alone

But the insurance companies cannot do this job alone, any more than they can thrive and grow alone. There are three sides to this insurance triangle. One is the public; the other, the companies; the base, the local agents. The agents are also the base of everything that is to be done and all that is to be gained in public relations. The National Board and the individual companies can paint the background but you will have to spot in the story of insurance as it applies to the individual property owner in your own city and reinforce and make effective all the varied forms of service. Local agents everywhere must back up the companies or the big idea of the National Board will fail.

Whether you work as one man or an organization, there is only so much ground that a human unit can cover

in a working day. While you are talking to one man, there are any number of men that you cannot be talking to. Any one of them might be a more desirable prospect than the one you have on the string, but you cannot know until you have made the rounds of all the others. But there is a device by which you can talk to the waiting hundreds, or the waiting thousands, not only while you are having an interview with the first prospect, but all day long, and in the evening after the office is closed, and on Sundays and holidays—and that way is advertising—your own personal advertising.

If you do not use the columns of your own newspaper to tell people who you are and what you have for sale, you are overlooking and neglecting the most powerful device for creating favorable impressions of your business that our modern industrial civilization has developed. That sounds like a rather strong statement. It is meant to be. Today advertising has more worth than it ever had. The public has become advertising-minded. It expects to learn things from advertising. Advertising is a natural means of communication between you and your prospects.

Somebody has said that newspapers were invented to save money for advertisers. They do more than that. An advertisement in a home town paper rides along with the news, the local happenings. If it is properly written it is a part of the news. Advertisements can be so written as to become a feature of the newspaper. Readers soon spot

them as something worth while. The advertiser gets a following. People say, "Let's see what Winters, the insurance man, has to say tonight. He's good!" It has been done—is being done every day.

Pick a Field and Dominate It

There is one thing that you or any agent can do. You can pick out a field of advertising and dominate it, be that field big or little. You can choose your method of attracting, or capturing, attention and follow that method until it becomes identified with you and you with it. You can select a medium of self-expression and perfect yourself in the employment of it to a superlative degree. You can keep everlastingly at the system you take to be your very own and thus have more than a chance that it will help you accomplish your purpose, and no matter what you call that activity it will be capturing attention, for only by capturing attention can any local agent multiply his personality and develop the contacts so essential to an improved public relation and a better, bigger, more profitable business.

Personality Must Shine

Agencies are as different as the men who run them. That is another way of saying that every agency has a personality, and it is this personality that must shine out from the advertisement.

Remember the absent-minded business man who started

his prayer: "This is Mr. Jones speaking"? Personality. It doesn't help in an insurance man's prayers but it turns a dull, lifeless advertising message into a crisp, human, appealing one. The best rule for those who write advertising is not to write advertising at all, but instead, write talk—your talk—the kind of talk you use when there is a prospective client on the other side of the desk trying to find out what agent he should select as his insurance counsel.

Reputations Just Accumulate

Personality is behind what is known as reputation, and there is no formula for building a good reputation. It just accumulates. The outstanding insurance agent in any community (and there is always a leader) didn't suddenly jump into preferred position among his fellow agents. He grew into it. He accumulated experience. He accumulated insurance knowledge. He accumulated ideas for being of service to his clients. And, best of all, he accumulated good-will because he didn't hesitate to go after it in the fastest-working way known to modern business.

Advertising! Campaigns!! Not a "card" in the paper now and then. Not an occasional announcement when you have time to write it. Nobody ever won the public with an every-little-while advertising program. You will find that the agent out in front in any territory is a hard-hitting, keep-it-up advertiser, who plans his campaigns by the year. He knows in advance what he is going to spend

and what he has to sell. His advertising appears with clock-like regularity. Everybody knows he is in business, and what is more to the point, everybody knows he wants business and if he gets it he will handle it expertly.

The cumulative effect of advertising is enormous. An occasional advertisement, however good in itself, means nothing. It is like a strand of rope, breaking under the slightest strain. But take a hundred such strands, twist them into a cable, and you have something that will enable you to hold your place against the combined pull of competition—old or new style.

CHAPTER IV

GETTING PEOPLE'S INTEREST; BREAKING INTO THE PAPERS; PRESS AGENTS; AND TIE-UP ADVERTISING

IN advertising, too much must not be expected of the display and copy of the messages run in publications of any type. These messages are the basis, the background of any extended campaign, to be sure, and they must bear the brunt of "telling," but telling is only a part of selling.

Your advertising's biggest task is to prepare the way for your salesman, your solicitor, or yourself; especially in selling so intangible a thing as the services of a local insurance agency.

If you will put your newspaper and periodical advertising into the proper place and look to it to do its proper work, supporting it with well-rounded auxiliary work, you can increase the effectiveness of that advertising tremendously.

In the first place, if insurance advertising is but a part of the effort necessary to the selling of insurance, it is advisable for any agent, if he is to get full good from his investment in publicity, to organize the selling efforts of himself and all of his associates, to take full advantage

of the barrage provided by the messages that appear in the home town papers. To illustrate: suppose the message in the morning paper is devoted to your service as a local agent. If you incorporate into your word-of-mouth advertising some of the arguments taken from that message, phrased in the exact words used in the advertisement, your arguments will be given added force because they will supplement and reinforce the story the prospect read over his coffee, on his way to the office, or at his desk that very morning. This is the first elementary step in the auxiliary work necessary to make the most of local agency advertising, or any other kind of advertising. It is so elementary, so obvious that it seems daring to mention it here, but even this simple procedure is overlooked about as often as it is utilized.

The next step is also a simple one, but effective. You should procure a proof of the current advertisement, while it is new and timely. This proof is to be shown to just as many people as it is possible for you, your solicitors, and your office force to reach. People can profitably be asked whether or not they have read the advertisement, and what they think of it. The idea is to get people interested in the campaign by asking how the advertising can be made more forceful and more effective.

If you are advertising and want something besides the weather to start talking about, try this plan which the writer has tried many times and which always gets attention. Have a proof of your current advertisement in your

pocket and when you meet somebody whose attention you wish to hold for a few moments, pull out the proof, hand it to the prospect, and say:

"By the way, you know I am advertising in the *Times* to attract the attention of men like you. Here is a proof of one of my ads. You see, I want to put over the idea that a local agent is as essential to the life of a community as the policeman who guards its streets, or the doctors, or the lawyers. But it is hard to write good advertising because I don't know what questions about insurance come up to bother people. What, for instance, would *you* like to know about fire insurance, or any other kind of insurance, or my agency?"

If that prospect's interest has been aroused at all he will either try to tell you how good—or how bad—your advertising really is, or pick some fault with the insurance business. But don't be worried about that . . . nine men out of ten think that they can improve another's advertising or run another's business better than it is being run . . . it is human nature to do so, and the fact that so many people believe that they could rewrite and improve upon the ten commandments is not a serious matter. Somewhere in the talk about your advertising, or about the insurance business, the prospect will let the bars down and give you your chance to tell him what you wish to say, or give you an inkling of how he can use planned insurance to his own safety and advantage.

The job of getting the good-will of the public is simply

the job of getting the public interested in you and what you are doing, and how what you are doing affects them and what they are doing. What is commonly meant by good-will is public opinion expressed in patronage, and it is, in most cases, the product of publicity as a background and good selling effort. Publicity, in turn, ranges all the way from respect for the family name to continuous advertising: it is any method of working upon the traditions of a community, and its prejudices; or the desires, aversions or inertia of the people.

In any campaign, it should be remembered that the first inclination of most men and women is to connect and compare every new proposition (or every proposition that is new to them) with something previously recorded in their own minds or with which they have had a previous experience. It has been said that: "Very few of us approach any new public question with open minds; or rather, do so with minds that are open at the bottom only, not open at the top. Arguments and appeals to reason go in—and fall right out again. The stereotype remains unaltered."

To make the most of any insurance advertising effort you should, indeed must, realize that an enlightened public opinion does not exude automatically from the thinking and reasoning of people. In large measure it is made-to-order opinion. An idea can be sold to people in exactly the same way that anything is sold, from grape-fruit for

breakfast to Liberty Bonds and a belief that the war those bonds supported was justified.

How Best to Educate the Public

Two main avenues of public education and public information are open to you as a local agent: your personal message delivered man to man in the daily intercourse of agent with customer and prospective customer, and in written and printed messages.

Nothing can take the place of personal contact. No message is as effective, as convincing, as productive of results, as the words of the man who knows his business when he is discussing that business with another who is an interested listener, and nothing in this book is intended to suggest replacing that great force. But life is short. No man, no group of men, can single out listeners in sufficient numbers, nor tell the story of sound indemnity for losses to enough people to build up that active public opinion so essential to the growth and development of the insurance business. A short cut must be found. That short cut lies in written and printed messages.

In this age, especially with local agents, the use of printed messages seems inevitably to point to the United States mails and the local paper; and of the two, the local paper is perhaps the greater medium for spreading information, or for conducting an educational campaign, taking into account the number of people it reaches

and the influence it exerts for the varied subjects it presents.

The Two Classes of Messages

The educational messages that can be carried to people by a paper fall naturally into two separate and distinct classes: news, or such messages as are of interest, value, and help to the readers of the paper; and advertising, such messages as in the opinion of an agent or a company it is desirable for business reasons to get to people.

There is a fine line of distinction between news and advertising, and often the two forms of expression overlap. The judgment of the editor of the paper usually decides the matter. Furthermore, the best papers are quite strict in keeping the news and the advertising segregated. However, insurance, which has been treated rather shabbily by the news columns of papers, can and will be accorded better treatment when there is a better general understanding of the whole subject and more interest in insurance as a source of news. Paid advertising will undoubtedly be the basis of this better understanding for two reasons: First, because those connected with the editorial departments, the editors and reporters of the papers, read the advertising columns just the same as other people, and taking note of the messages of help and benefit addressed to the people, they will in turn be interested, which means they will be educated, just as is any other citizen.

Further, there is room for a far closer understanding between agents and publishers. You should never sign any contract with a newspaper for advertising without making that transaction the occasion for a full, clear understanding between you and the editor, covering exactly what the advertising is intended to accomplish.

The author has had a part in the making of hundreds of such contracts. The outstanding point in memory is a wonder that two classes of prominent business men can carry on their work, each so closely and so vitally interested in the good of the community, and be so far apart in a mutual understanding of each other's purposes and functions.

Many local agents are actually afraid of reporters and printer's ink. A frank talk over a lunch table, for instance, with the local editor, whether you buy advertising space or not, would cure this situation. Frankness is essential. When the editor knows you and has an appreciation of your problems, you won't find misstatements in the news columns of his paper, for he will know where to turn for information on insurance subjects. Pitiless publicity, as news comment is sometimes called, never really hurt any business or any business man—although it may make one careful of what one does.

Next to the editor, the best friend you can have is the reporter on the home town paper—a friendship based upon a disposition to help the harassed writer get his facts straight, and make his stories say what he wants

them to mean. If you will bear in mind that insurance, as it is commonly discussed by insurance men, seems to be quite a technical business, hard for the uninformed to write about; and if you will welcome any opportunity to give the reporter the benefit of your experience by explaining insurance and its many ramifications to him, you will find that reporter glad to call upon your office for help in keeping harmful errors of fact and the application of such facts out of his news stories. Any good reporter takes pleasure in running good, sound, helpful news.

As a local agent you probably have had a hand in the making of a great deal of news that never saw the light on any printed page. A highly remunerative way of making the most out of local agency advertising is to get into the news by having a hand in those things that make good reading. When you do anything you would like to tell people about, and you do not know whether it is news or not, talk matters over with your reporter friend. If what you have done is of public interest, he will tell you so, for it is the things people do and say that makes up the bulk of the news of the day.

Then, too, a newspaper, especially of late years, prints a lot of matter that cannot be classed as pure news; features are growing in popularity with the readers of newspapers, and as a consequence are being more freely used all the time. Interest, entertainment, information, educational value, and amusement are the bases upon which most of these features are written. Insurance has

in it much that can be made interesting and informing. Perhaps you can explain things in an interesting way. If you happen to be so gifted and will bear in mind that an editor is anxious to print anything that will interest and help his readers, and if you will sink your own selfish interests, you can write and have published a lot of very helpful material. While the returns from such effort, the pay you will get, may come only from spreading information which will help create a better understanding of your business by the public; that is important in making the most of a campaign of public education in insurance matters. It will back up and reinforce your paid advertising.

Legislators Also Read the Papers

Among the results credited to successful educational advertising by industries which have turned to it to gain or hold a place in the sunlight of popular appreciation, is immunity from adverse legislation. Lawmakers are human in that they have no wish to run counter to popular opinion. It is true that those industries which have back of them a valuable good-will, have spread their stories before large numbers of people, and have crystallized the news by judicious advertising long continued. Thus many of them have escaped heckling by state legislatures, or the crippling effects of adverse laws and rulings by all sorts of governmental bodies.

In the past insurance has not fared so well in this re-

spect . . . as the use of insurance premiums as a source of indirect taxes bears eloquent testimony. It is too much to expect a radical change in treatment in the matter of legislation after a few scattered campaigns have been conducted by local agents, but legislators also read the papers. There is a cumulative effect to efforts of this kind. As agency after agency takes up the job of carrying forward the torch of knowledge, the law-makers of the country will become better informed, and results will follow as certainly as acceptance and appreciation have followed like advertising by others.

That there is need for something of this kind, was well stated by Claris Adams in a speech before the International Association of Casualty and Surety Underwriters at White Sulphur Springs, W. Va., in September, 1924. Mr. Adams said:

> Insurance, however, is not entirely its own master. Forty-eight special policemen patrol its beats. Some are sympathetic and others are hard-boiled. Each has his own traffic code, however, which may or may not be uniform with that of his neighbor, and when one semaphore says "Go" another is sure to say "Stop." No business on earth is subject to so much governmental control from so many sources. It is a saturated solution of politics in business. Pouring politics into economics always results in an explosive mixture. That is the moral hazard of insurance.
>
> All business shares the hazard of public suspicion, at least partially and periodically. It is hard to teach America to take its economics straight. There is a school of thought spreading among our people which views success with the utmost distrust. Every man

seems willing to attack every business but his own and then wonders why he has so few defenders. In the last decade, almost every legitimate industry, trade, profession and pursuit in the nation has been pilloried at one time or another as a profiteer, and as each successive victim was dragged before the judgment seat of popular disapproval, the rest cried out "Crucify him!" "Crucify him!!" American business is being flanked by the enemies of the existing order. It is being divided and defeated in detail. Its own strength is being turned against its own strongholds. It must establish contact, consolidate its forces and present a solid front to the charlatan and the demagogue. All legitimate lines of business must recognize their community of interest and translate it into unity of action. The present weakness is that so many of them are not allies, they are not even acquaintances. Insurance in particular suffers from public ignorance and political isolation. It occupies an outpost already under fire, yet most of the business world takes no interest in the battle because it has not been made to realize that it is its own fight. Insurance must not permit itself to be caught between the lines. It must both present and accept the issue. Safety requires that all American business rally all of its man power about the American standard of private ownership, individual initiative and business freedom, to defend every trench upon any front against all socialistic attacks and paternalistic threats.

Insurance faces a greater moral hazard, however, than a general public suspicion of successful business. It is always open season for insurance. Make soundings when and where you will, the result is always the same. There is a certain hostility, sometimes active and sometimes dormant, but if you dig deep enough, it is always there. Every lawyer knows that it is present in every jury ever impaneled. In spite of the fact that insurance companies as a class perform their obligations according to the letter and the spirit of their contracts with a more meticulous regard for the rights of their customers than any business group I know, a reputation to the contrary costs them untold thousands of dollars every year in ex-

cessive verdicts and coercive compromise. The prejudice warps the courts and pervades the press. It influences departments in spite of themselves. It reaches civic organizations. It reverberates through the sounding board of legislative halls, where politicians shout what the people will only whisper.

What About Paid Press Agents?

"Why buy space, and go to the cost of paid advertising? This proposition of building a better understanding of insurance is one that it is to the best interests of the whole town to put over. Why don't the newspapers carry the educational stuff, and tell the people what they should know? Why not get a clever writer to tell about insurance and have the papers print his stories, which would do more good than a lot of the stuff that is printed now?" That is a verbatim report of what a local agent said to the author not very long ago in a discussion of the needs of the insurance business for a better contact or relationship with the public.

What is the matter with that agent's proposal?

Several things.

In the first place, there is no more reason why the local agents of the country should expect to have their problems solved for them than that the publisher of this book should expect it to become a best seller among works of fiction when its story is of interest only to insurance men. One of the jobs you have before you as a local agent, and one feature of the auxiliary work of making the most out of your insurance advertising, is to live down a repu-

tation, deserved or not, that insurance is a business which is always trying to get free advertising.

There is a good reason to believe that much of this reputation of being free space grabbers has been foisted upon insurance and insurance agents by a few men in the employ of certain organizations; men who pride themselves upon their ability as press agents—using that term to mean men who, by one means or another, secure a considerable amount of space for the reports of the doings of the companies or organizations which pay their salaries, and in which space there is more or less favorable mention of the names of these companies.

If you will take the time to investigate the stories you may have heard of highly successful publicity campaigns you will find that they are usually based upon a pretty flimsy foundation. Nevertheless, there is a belief current among agents that is distinctly favorable toward such indirect publicity. While there is great value to be secured from a friendly press and by favorable news mention, it is not to be obtained by the paid press agent. Probably the feeling that free publicity, so called, can be made to take the place of paid advertising is due to the impression that for a relatively small amount of money spent for the services of a press agent, a large amount of valuable publicity can be secured.

When we turn to the broad field of improving the public relations of business, and note the successes and the failures in the country as a whole, for the purpose of

taking a good square look at what has been done in general with free publicity (free as contrasted with the use of paid display advertising) as secured by salaried writers, or press agents working on a fee basis, we find the following definite objections:

First: There is a great uncertainty in this type of publicity. Some of it which is planned goes over; some of it which is planned does not go over.

Second: The press agent's type of publicity lacks directness; it appears to the public frequently under the guise of something else. A story may be printed about the home of some social leader being destroyed by fire, and coupled to the news story may be a thin thread of insurance warning, but the insurance idea is lost in the prominence of the social leader and the description of the fire. In the records of the press agent such a story would be classed as insurance publicity, yet in the minds of the readers it would be remembered as being about the social leader. The insurance angle of it would be merely incidental.

Third: No main idea can be put over in a major way because of the very fact that publicity must be obtained, not on the strength of the main idea of the uses and benefits of insurance, but on the strength of some dramatic stunt or some link-up with a person whose name has what the newspapers call "news value." In such articles it is the stunt or the personality of the person

connected with the item that gets the news headlines, rather than insurance or an insurance agent's services.

Fourth: Great difficulty is always encountered in directing the publicity into the channels where a local agent might wish it to go. The most optimistic press agent will not undertake to put a story about an insurance agent, or about a given coverage, in a given paper on a specified day.

Fifth: It is found that the type of publicity under discussion is extremely spotty. Especially so far as the newspapers are concerned, it will be found that there is no guarantee whatever that articles will appear with any uniformity. Some press agents do achieve close relations with certain newspapers and these papers use a considerable quantity of the stuff that such press agents turn out. In other cities, however, the press agent is unsuccessful in getting his stuff run, and there is no telling in advance whether a press agent might be successful in a given community or not. A suitcase full of clippings showing articles run on some other subject is no criterion of what could have been done by the same man had the subject matter been your services as a local agent.

Sixth: A further weakness in a publicity scheme that contemplates the employment of a paid press agent is the lack of tangible tie-up; that is, no inquiries can be answered nor can any other effective or ethical tie-up be made by the local agent.

What Is Meant by Tie-up In Advertising

Tie-up in advertising means the coordinating of all the means that can be used to attain a definite end in advertising or the accomplishment of the purpose for which the advertising is employed. Complete or 100% tie-up is seldom attained. However, it is a result to be sought.

The two main divisions of advertising are publication advertising, in newspapers, magazines, and other periodicals, and direct advertising, usually by means of the United States mails. In both of these forms the advertiser sends his message to the people. Then there is a third form, usually called fixed display advertising, in which the messages are spread on billboards, walls, in windows, on theater curtains and similar places.

Advertising in publications must be quite general in character because the only control the advertiser has over its distribution lies in the selection of the paper, magazine, or other publication that is to carry it. Direct advertising is so called because it is directed to some person. It can be made as personal to that individual as the advertiser may wish. Such advertising will seek out a prospect at his desk in an office, or at his home. It will go direct wherever the mails reach. In fixed display advertising, people must come to the advertising, or at least pass the place where it is on display.

There is no conflict between these three principal

forms of advertising. Each is peculiarly adapted to do a particular job. The fact that an agent may hear arguments for and against certain forms of advertising—not always kindly given when directed against a kind not favored by the one passing the opinion—while confusing, is not vital. (Insurance agents may be encouraged by the knowledge that the advertising business, while it has grown at a tremendous rate, has not yet learned all the lessons its advocates offer to men in other industries. In advertising, as in insurance, competition is not always fair.) No space will be devoted here to any hair-splitting attempts to settle much discussed questions of what kind of advertising is best for a given purpose. It may be profitable, however, to consider briefly how the several forms may be tied up or consolidated into a well-rounded campaign.

Suppose you decided that newspaper advertising is the principal kind of advertising you propose to use. If you print your messages in the paper and make no effort to incorporate the arguments so presented in your word-of-mouth selling, you will be able to trace but little good to the investment in white space. Similarly if you overlook the possibilities accorded by daily correspondence going out from your office, you will be neglecting another avenue of tie-up advertising.

It will pay you well to consider your daily mail as a possibility for auxiliary advertising. Few stamps carry their full allotted weight, not that there is any virtue in

the mere weight of a letter, but these letters must go out as a part of the regular office routine. They might as well do something to help the cause you are trying to bring about. Perhaps the simplest form of letter tie-up with newspaper advertising is a postscript saying: "Please note the advertisement of this agency which appears each Wednesday in the *News*." Other possible tie-up ideas are limited only by your originality; but every letter going to a resident of the town, or a firm doing business and owning property within your territory, should refer to your current advertising in some way.

Then there is the possibility of using the outgoing letters to carry circulars setting forth the scope and purpose of the campaign you are running in the newspaper, and suggesting that it be closely followed. It is surprising how easily people can be interested in a movement if their notice is called to it. In other words, it doesn't cost the man who receives your letter anything to read your advertising copy, so people you write to will act on your suggestion, and in time it will be a habit for them to say: "Hello, here is another of Dick Doe's ads. What does he have to say today?"

Another effective way to incorporate the idea of tie-up into your outgoing letters is by using what are known as four-page letterheads; whereby the letterhead is printed on a sheet of paper twice the ordinary size, which is folded once to fit a typewriter and which carries a re-

production of the current advertisement, or any advertisement selected for its fitness to that use, or something about the agency, on the third page.

Agents Can Follow Merchants In Advertising

Insurance is not a commodity, nor is it sold like merchandise, but you can follow the local stores and shops in the matter of using tie-up advertising to a degree that is seldom found in an analysis of a campaign run by a local agent. For instance: When the local merchant runs a big advertisement in his paper, you will find a page carrying that display pasted conspicuously in his window facing the street as well as on a bulletin board in his place of business. Not all agents have windows on the street where people can pass and stop and read the news of the agency as set forth in the advertising in the paper, but every one who is so situated can properly follow the merchant in a style of tie-up advertising that he has learned by experience is helpful.

An advertising expert, whose Chicago office is busy turning out insurance advertising for both agents and companies, has said:

"When a group of local agents considers its cooperative advertising in the newspaper largely as a background and as a license for some effective tie-up advertising, that group will be going at it in the modern and most productive manner."

Having gone into newspapers, you can emphasize and reiterate the keynotes of your published messages by printing them on private mailing cards to be mailed in a series; or in a number of folders; or circulars; and in form letters. And, to cap the climax, you can, if you wish, do an outstanding bit of tie-up advertising by printing a smashing big display in a newspaper and then reproducing that display on a desk blotter, putting your blotters in the rooms of the hotel or any of the places where desk blotters usually go.

Then there is that other idea, borrowed from the successful advertising of merchandise. A big city agency, with an extensive mailing list, that wants to tie up with its newspaper advertising with a flourish that will make a record for effectiveness and returns, can put out an attractive little house-organ to be edited by somebody particularly well-fitted for that job. A house-organ of this nature should be mailed regularly over a long period of time to every worthwhile prospective customer and every patron of the agency. Of course the mailing list will be confidential, as the editor will realize that educational advertising does not cure all the jealousies of a highly competitive business.

Another thought on tie-up: There are moving picture theaters wherever there are enough people to make a movie pay. In the majority of these theaters it is possible, at a trifling cost, to show advertising slides. What form of advertising could be more simple or more direct than

a slide suggesting the reading of the agent's advertisement in the paper. While such a bit of publicity may not do much good; at least it indicates what is meant by tie-up in advertising. And finally there are the billboards, windows for displays, booths at fairs and exhibitions and a host of things, too numerous to mention, but all tying up with the big idea as outlined by the display in the newspaper.

Advertising Will Not Work Without Guidance

An agent, delegated by his partners to discuss local agency advertising with the writer of these lines, listened patiently while the idea of tie-up advertising and its place in a plan for a campaign in a mid-west city was outlined somewhat like the foregoing paragraphs, and then he said: "That will mean a lot of work and a lot of attention on the part of somebody. Why can't we put the ads in the paper and let it go at that?"

He was told that the agency could—and the publisher of the paper probably would know that the advertising was running and would appreciate the patronage. But an advertisement in a paper is not an advertising campaign. The advertising you see, as it is done by local representatives of other industries, is only the surface indications of a great deal of effort that is not so conspicuous but which bears a definite relation to the final outcome just the same.

Your advertising is a business force, a powerful busi-

ness force, designed to aid and assist you in doing quicker, and with less labor, the same work that would have to be done in some other way without it. It does not perform miracles. It is not a substitute for thinking, or planning, or selling. The force of advertising will not work without guidance. Simply paying the bill for some space is not enough. Joe Weber used to amuse the audience by telling Lew Fields that he had bought a patented exerciser but it didn't seem to do him any good. "Perhaps you don't use it enough," suggested Fields. "Why, do you have to use it?" asked Weber.

Charging A Tuxedo To Advertising

Conducting a successful advertising campaign calls for a lot of work, a lot of care, careful planning and coordination. Yes, and more. It calls for a faith that will remove prejudices and overcome inertia, and that is equal to moving mountains.

It would be a great day in insurance and insurance advertising if each local agent could be induced to buy a tuxedo and charge it to his advertising budget, with a firm determination that on every possible occasion that tuxedo would be worn to grace the speaker's table at meetings where men and women gather to discuss current events.

How often do you hear of a local agent speaking at a meeting of the Rotary Club, or before the Advertising Forum, or to the women at their meetings? Not often.

Yet there is no other business man in the city, unless it be the doctor who guards the health of the community, who has a story that comes home so intimately to each man and woman in the town as does the counsel and advice of the local insurance agent.

But there is another, a better reason why it will be a great day for insurance when local agents slip into their dinner coats to talk about insurance and its service to humanity. No man will stand before his fellow townsmen to talk upon a subject unless he knows what he is talking about.

Put it this way: Suppose you are to talk for half an hour on "Rent Insurance and What It Means to the Man Who Owns His Own Home" before the Men's Club of the Center Church. Before that evening comes around you will dig into the dusty files on "Rent Insurance" and thoroughly post yourself, because you must speak as an expert. You know that you will be introduced as an expert on insurance. Thus prepared, you make your talk and it goes over great. From that time on, your success as a solicitor of rent insurance will be greater than ever before. Why is this? In the first place you will know all about rent insurance. Then talking for half an hour, without interruption, will help you organize the points of interest in rent insurance. And finally, you were accepted by the group as an expert on rent insurance, and your reputation as an expert has spread by the word-of-mouth advertising of your friends as well as by the

news report of the meeting written by your friend the reporter who quoted freely from the advance copy of your speech which you gave to the paper.

Faith in advertising grows in exactly the same manner. The more local agents use advertising the better they become acquainted with the theory and the practice of advertising. The more they put into it, the more they get out of it. Having gained a reputation of being a good advertiser, the local agent will endeavor to sustain that reputation, which means that he will make the most of his advertising, because advertising carefully planned, carefully watched, and thoroughly coordinated pays and pays handsomely.

Keeping Everlastingly At It

Some years ago an insurance agent in one of a series of clever letters told the story of a naturalist dividing an aquarium with a clear glass partition. He put a husky bass on one side of the glass and some minnows on the other. The bass struck every time a minnow approached the glass partition. After three days of fruitless lunging, which netted the bass only bruises, the poor fish ceased his efforts and contented himself with the food that was dropped in. Then the naturalist removed the partition. The minnows swam all around the bass but he did not strike at a single one. He had been thoroughly sold to the idea that business was bad.

For those who like to have a moral given to them

instead of drawing their own conclusions, one could say: "Take another shot at the partition. Perhaps it isn't there any more." Individual advertising such as you have been reading about is useful, most of all, in meeting and overcoming the barriers of natural competition; the competition of one agency with another for a given line of insurance, or the sort of competition that is summed up by the property owner who answers your solicitation by saying: "I have an agent who is looking after my insurance affairs." Such a situation is a stone wall if the rival agent is really doing a job. If he is, he should not be interferred with. If he isn't, and you can do it, you have every right to jimmy your way in and give that property owner the kind of insurance service he ought to have.

The greatest barrier, however, to new business and to a better understanding of insurance; or the great obstacle to what is more necessary than all else, better public relations, is not an individual matter. That barrier or obstacle is the public's indifference toward insurance. And that is the conern of all insurance: the companies, the general agents, the special agents, the local agents, the solicitors—down the line to the office boys, the insurance men of tomorrow. There is a community of interest. In its local aspects the problem of securing a condition of better public relations, for all the agents of all the companies, brings us to the major theme of this book: selling insurance by cooperative advertising.

CHAPTER V

WHAT IS MEANT BY THE TERM "COOPERATIVE ADVERTISING BY INSURANCE AGENTS"

A GROUP of local agents representing a half dozen fire insurance companies had gathered in a downtown office in a busy mid-western city. They were waiting for an adjuster because a fire had devasted a flourishing factory; had thrown a hundred men out of work; had stopped a regular and important contribution to the business life of the community. It was a sad setting for a depressing bit of life's drama. Said an agent: "I hate to tell the owner of that smoldering lot of junk what he stands to lose. He had fire insurance, that was all, and not even enough of that. He carried no insurance to take up and carry the loss that begins today, now that the last fireman has reeled his hose and gone. I tried, but he would not let me tell him about complete insurance protection. But he will be compelled to listen to an insurance story today, and there is going to be but little consolation in what he has to hear."

Then another of the agents spoke: "He is not alone. I wish that the business men of this town, especially those

who refuse to listen to the recommendations of an insurance agent, could be here and listen in when the adjuster tells that fellow what is what."

Then the third man spoke up. He put the question that this book was written to answer. It is the same question, in substance, if not in form, that has been asked thousands of times in the past few years. It is the question you have in your own mind as you hold this book in your own two hands, reading and turning the pages, seeking a way to get your story over to your customers and prospective customers.

"Why," this third man asked, "can't we insurance agents take a leaf out of the book of the experiences of the electric refrigeration business, or any one of a hundred other kinds of business, and by joining forces and pooling our money use advertising right here in this town to arouse in people an insurance consciousness; to interest them in insurance—at least to the point where we can get to property owners and tell them our story, the story of how insurance can be made to save and to serve them. It is up to us to explain insurance, not only fire insurance, but all the off-shoots of fire insurance, and if we cannot get to the people in person, is it possible to reach them by advertising, some sort of cooperative advertising?"

To echo the third man's question: "What is cooperative advertising anyway?"

Is cooperative advertising a kind of advertising that

will make the work of the local agent easier, pleasanter, or more productive of growth and profit?

Can cooperative advertising be devised and used as a cure for situations such as has been pictured at the opening of this chapter, and, what is more important, can cooperative advertising be incorporated into the present day scheme of your local agency affairs?

Just what is meant by "cooperative advertising"? Is that but a phrase seen often in business publications; discussed weekly by advertising men at their club meetings; and heard frequently on the street, in the shops and offices, or wherever men meet to talk, to trade or do the many things that taken together make business? Is it something new, composed of a lot of partly tested theories, like television; or is it a refinement resulting from the development of something tried and proven, like consolidations in industry?

Joining the Issues for Our Study

New thoughts, and new words and phrases for expressing those thoughts, come to us in such quick and confusing floods these hurried, harried days that there is a disconcerting looseness in the ideas brought to mind by the words "cooperative advertising."

Our agent friend, speaking to competitors in the same business, as one individual local agent to another, had "cooperative advertising" in mind, and he called it by its correct name. Cooperative advertising is any adver-

tising by which a group of men, whether they are competitors or allied tradesmen, unite in a common effort to—

First: Increase sales or the volume of business transacted.

Second: Improve market conditions.

Third: Combat a common enemy.

Fourth: Raise the standing of an industry.

Fifth: Correct evils or abuses of long standing.

Sixth: Build good-will for, or reduce the sales resistance against, the personal representatives of a business.

Seventh: Do preliminary, or missionary work to make easier the approach of a salesman, especially where personal solicitation is necessary to close the transaction.

Eighth: Increase the effectiveness of a personal solicitation by building up the common knowledge of a community about a service or a commodity.

The Beginning of Cooperative Advertising

Like many other ideas now commonly used in every day business, the origin of cooperative advertising seems lost in the haze of antiquity. It probably began with the guilds and associations of craftsmen back in the Middle Ages, for the idea can be traced far back in this country to the trade fairs and celebrations financed by the tradesman who hoped to benefit and to profit from the crowds brought to the cities and towns because of the coopera-

tive effort and cooperative advertising of the shop keepers.

About 1903 a young advertising agency conceived the idea of a cooperative advertising campaign in which all the materials used in a unit should be combined in a large advertisement running twelve or more pages, advertising not only each product, but the relation of each product to those with which it was used. The agency started with the building trade.

At that time there was little advertising of building material. This firm had as one account a tin roofing, and starting from that it attempted to build up a composite advertisement made up of roofing, lumber, brick, tile, plumbing, cement, lighting fixtures and the other raw materials of a house, with an appropriate introduction written by a prominent architect, and the whole bound together by some unified typographic form so that it would look like one monster advertisement, running through as many pages as necessary, giving each separate advertiser a page to himself, but tying the whole thing together.

This plan was listened to with great interest by various manufacturers of building material, but the labor of getting the consent of enough to start the idea was too great in those days, and only three accounts were signed up. One of these was the American Encaustic Tiling Company, one of the largest manufacturers of decorating tile. Through this connection the advertising agency was

made aware that the Tile Manufacturers Association was discussing methods of increasing the consumption of tile, and thus they were given the opportunity to suggest the first national cooperative advertising campaign. The Association signed up for two years, and the campaign started in the magazines in November, 1909, and ran for nearly two years. Then the manufacturers quarreled among themselves as to which was getting the most benefit out of the advertising and it was given up, although they have since come together again and are running a small campaign today.

About that time the idea was definitely taken up by industries. In the year 1908 the Merchant Tailors of Philadelphia dedicated a fund of $30,000 to creating a demand for better clothes, or rather, tailor-made suits, and the write-ups of the time made reference to a previous campaign in Chicago.

Whatever the source of inspiration, it is true that these early campaigns were unusually successful and by 1910 cooperative advertising was well established. By 1920 the idea was being considered by the advertising men of the insurance companies and some of them were wondering if there was not something in cooperative advertising that insurance could adopt and use to advantage.

It was in 1921 that an insurance man was riding from New York to Hartford. On the same train was a banker from the big city. The two soon were talking shop. After a while the banker asked:

"What's your line?"

"Insurance advertising," was the answer, given with a swell of chest that said, plainer than words, "and proud of it." But the chesty feeling was of short duration, for the banker's come-back is now one of the beads on that advertising man's rosary. It is one of those "memories that bless and burn."

After thoughtful contemplation that banker said:

"Insurance needs advertising and needs it badly. Do you know that business men are sold to the idea of insurance but that they are not sold to insurance men?"

The man who made that statement was a banker. He picked on "insurance men," meaning local agents, because to him they were the active representatives of the business of insurance. With that banker, and others like him, the local agent is the point of contact. In the minds of most property owners the local agent is the personification of insurance.

There, in a stuffy, smoke-filled Pullman the idea of selling the local agent and his place in the world's affairs to the property owners of America by cooperative advertising, was conceived. The idea was then studied for many months. It was developed and tested. There was found to be a need, an active, urgent demand for some plan that would sell local agents and the services they performed in the same manner that the railroads, the automobile, the radio and all other kinds of business enjoying public confidence and patronage have been sold.

In conservative New England, where people look to insurance for bread and butter (or dividends), business men agreed that the public should be given a better, a clearer understanding of the work and the service of insurance agents, so they might be appreciated. High up in the sky-scraping office buildings around Puget Sound people had an idea that there was something high-sounding and mysterious about insurance service. Among Sun-Maid raisins and Sun-Kist oranges in California's valleys both agents and property owners told the investigator what was the matter—why there was lack of faith in a business founded on good faith. In the wonderful, hospitable South it was not at all difficult to turn conversation from boll weevil to the troubles and needs of local agents.

As the idea of selling the local agent was studied some truths that were hard and hurt like the very dickens came to light, yet much that was encouraging, promising better things for the coming days, was turned up.

It was shown that distrust, misunderstandings, lack of appreciation—those things that worried and annoyed insurance agents—were evidences of growth and development; the growing pains of the business. They are common to all business until it is fully understood.

And it was on the basis of that advertising man's study and investigation that the task of preparing advertisements suited to the needs of local agents was undertaken and carried on for five years or more, until

1927, when the Public Relations Committee of the National Board of Fire Underwriters, having been equipped to help local agents with their advertising, took over the cooperative service, and released the material that had been accumulated to the use and benefit of all American fire insurance agents.

Cooperative and Associational Advertising

Closely allied with cooperative advertising has come a tremendous development of associational advertising. This has led to some confusion, some clouding of the issues; which, while swelling the amount of so-called cooperative advertising has, to a degree at least, hindered a clear understanding of just what is contemplated by the classification to be covered by this book. Explicit terminology, the critics of advertising say, is one of the things it needs; so the following definitions and a brief discussion of the difference between cooperative and associational advertising are in order:

Cooperative advertising: Any advertising in which two or more individuals, or firms, join and agree to share the expense of the advertising, regardless of how that expense is apportioned; whether the advertising is published in local papers, general magazines, on billboards, or by mail; usually the advertising is signed by the names of the cooperators. Voluntary consent of the members of the group so advertising is an essential in cooperative advertising.

Association advertising: Any advertising by an association of individuals or firms, organized and banded together to further sales, development, or progress of an industry or a business, conducted in the name of the association and paid for out of the funds of the association however raised, whether by a sales tax or by assessment upon the members. Individual consent of the members of an association is not an essential in associational advertising.

Cooperative Advertising's Simplest Form

Cooperative insurance advertising, in its simplest form, is the advertising in which you and some other local agent get together and tell the people of your town something that it is to the best interest of you both to have your customers and prospective customers know. As you both expect to benefit from the information you are giving out, you share in the cost. That is cooperative advertising in its simplest form. The essence of it is an inclination to get together on the message and a willingness to share the expense.

To take the next step, assume that there are ten local fire insurance agents all interested in the same proposition at the same time. You organize the group and line them up on the proposition, and all ten come in. It is very much a cooperative proposition, for only those who really want to share the cost go into it.

The cooperative nature of the example is proven by

the fact that if one of the ten did not want to go into the advertising pool; did not want to spend his money; did not believe the message was any good; or did not believe in advertising of any sort for any purpose, he could go along about his private business and "save" his money. You and the other eight would do the job as best you could. No means, except the persuasive power of salesmanship, can be used to get participants into a cooperative advertising campaign and have it a *cooperative* campaign.

Cooperation By Men In Different Lines

There can be cooperative advertising campaigns underwritten by business men in radically different lines of business. To make the basic idea clear, consider a group of merchants on a street that seems to be going to the dogs. The merchants get together and volunteer to advertise that street back into public favor. There might be a butcher, a baker, and a dealer in candelabra on the street, not interested in the least in the success or failure of each other as butchers or bakers, but united on the one idea and the one idea only of getting people to shop on that particular street. So when the newspaper sends its salesman around with a cooperative proposition to advertise the street as a good place for shoppers to visit, the merchants all gladly and voluntarily sign up in support of the advertising, and when men will do that it is cooperation.

And on that street, to point out the distinguishing principle of cooperative advertising, might be located a great bank, and a big life insurance company. Both these institutions belong to a trade association that may or may not be doing a job of associational advertising to help the banking business or to sell more life insurance. These institutions can go into the cooperative advertising campaign to make the street the shopping center of the town just as did the butcher and his neighboring dealers in bread and lighting fixtures—or they can decline. It is the freedom of choice of the units that makes group advertising cooperative.

Then there is the advertising of trade associations. If you will dig into the manner in which these campaigns are conducted you will find a great difference from the cooperative campaigns above described.

These trade associations are business organizations. They have all the machinery of a private corporation, including officers, and maintain an advertising department. Many of them place their advertising through an advertising agency. Membership in the association is not primarily for advertising purposes, but advertising becomes an incident to the conduct of the affairs of the association, though it may well be an incident of great importance. The units in an association have a free choice of joining or not joining, to be sure, but once a man has joined he is bound by the majority vote or the action of the governing or managing officers.

One member may not believe in the advertising plan of the association in which he is a member, but if that association as an organization decides to advertise, that member pays whatever proportion of the cost is assessed against him. Such advertising is not "cooperative" advertising any more than one can say that the advertising of any insurance company in any insurance paper, newspaper, or other periodical is the cooperative effort of the stockholders of that company.

Some readers of these lines will question what difference it makes, anyway, whether all the advertising done by the free act and deed of individuals or firms is sifted out of the records of results of advertising and called "cooperative" and all the "associational" advertising is properly labeled, or whether we gather the whole lot of advertising done by several individual units as a group and call it all "cooperative advertising." It makes this one great difference. We are intrigued by the idea of getting together to do things. We like it. It has about it a tang of doing something of one's own free act and will for the good of business.

And there is a bigger, more important principle at stake. It is even bigger than having our terms mean exactly what they are intended to say. Cooperative advertising, pure, simple cooperative advertising, under which a group of men who, by the nature of their businesses and the purposes of the advertising they are trying to do, are competitors in everything but the idea they

are endeavoring to put over, is essentially a local matter. It may be planned on a national scale, but it is local in its application and in its financing. It is capable of correcting so many abuses both in advertising and in business that it should at least have the encouragement of its own record to fall back upon.

Associations need no encouragement. They have done big things. The issues are clear, so far as the future of advertising by associations is concerned, so the established work will not suffer if it is no longer called "cooperative advertising."

And, finally, there is another characteristic that will help you in differentiating the advertising of the trade association from the purely cooperative advertising of individuals. In "associational advertising" the advertising is signed by the name of the association: In "cooperative advertising" the copy, if signed at all, is signed by the men, or the firms, joining in the message and sharing the cost of spreading that message.

CHAPTER VI

WHAT HAS BEEN DONE WITH COOPERATIVE ADVERTISING BY INSURANCE AGENTS

ANY movement has its landmarks. Even the most superficial study of the cooperative advertising by insurance agents will uncover yeoman service by four of the component parts of the industry of insurance. Each followed a plan differing greatly from all the others in its approach to the job to be done; each worked more or less independently of the others; each turned to other industries for inspiration, but worked along by trial and error in applying the basic ideas of cooperative advertising to its needs and to its problems. These groups, named in the chronological order of their undertaking the work, were:

First: The advertising departments of individual fire insurance companies, pioneering in a public spirited effort to help the agents of all companies to get together for the common good of all.

Second: The National Board of Fire Underwriters, an organization maintained by nearly all of the standard stock fire insurance companies for the benefit of all stock fire insurance agents.

Third: The National Association of Insurance Agents,

which is a national organization of the producers of premium income, with some ten thousand members.

Fourth: The Casualty Information Clearing House, an organization in the field of casualty and automobile insurance, devoted to the promotion of a better understanding of that great branch of the business, and which is of interest to fire insurance agents because of the close tie-up of the fire lines with the automobile liability lines, as written by the liability companies.

"What," you may ask, "had these groups in common that led to the adoption of the same idea in their advertising?" Simply this: they were all a part of the vast, complicated business of insurance. In America, insurance is sold by local agents and anything that benefits the local agent helps all branches of the insurance business, more particularly that division relating to insurance on property as contrasted to life insurance.

The Start of the Present Wave of Advertising

It was in June, 1922, that a group of agents in Hartford, Conn., started the wave of cooperative advertising that was destined to spread over the whole country and to be used in every state in the Union. That campaign was based solely upon copy and designs worked up and furnished by an insurance company. It was the first time anything of the sort had been done, and it was pioneering that local agents appreciated and used freely. The material was offered without any restriction other than that

its users must be agents of stock fire insurance companies.

There were thirteen different advertisements in that first series. These were furnished in two-column, three-column, or four-column sizes; the depth of each advertisement depending upon its width and the number of agents whose names appeared at the bottom as signatures.

Each advertisement was illustrated. The art work alone would have cost you or any group of agents more money than the total outlay for space, basing that assertion on the cost of white space in the average city paper. The illustrating and layout work on the designs so freely given to agents was done by an artist who was an expert in that line, and who produced something outstanding.

The copy (its character and purpose will be studied more at length in another chapter) was written only after careful consideration of the great number of points developed in many personal talks with local agents in the field. Its paramount purpose was to tell the importance of the part you play in your work as a local agent. It was developed to show how essential the services you perform are to the prosperity of each individual, or firm, that needs insurance protection because of the ownership of property.

In the beginning, when this cooperative advertising was under the control of the company that developed it, the details were handled exactly as an advertising agency takes care of the needs of a client whose advertising you see in your paper or on the pages of the *Satur-*

day Evening Post. When a group of agents decided to put on a campaign and wrote in to the company asking for the service, if the agents understood the terms and agreed to pay for the space used, a schedule was made up showing the exact dates upon which the various advertisements were to appear, the order in which these pieces of copy were to be run, and a sketchy layout was provided for the guidance of the compositor in the newspaper plant. The electrotypes, or mats, of the illustrations with the proper copy for the text matter were sent to the paper selected. No charge of any kind was made for either the cuts or the service. It was absolutely free to agents.

As you may readily understand, progressive agents were not slow in recognizing the splendid opportunity which was rich in possibilities of good-will. They seized upon the plan as a chance to tell the people of the town the truth about the insurance business, and to present the story of local agency service in a simple understandable way. You will not find a more sincere indication of the progressive spirit that exists in the ranks of the American agency systen than the enthusiasm with which the first comprehensive plan was accepted and carried out. Over a thousand groups, composed of a majority of the local agents in as many communities, used the first set of advertisements—and vociferously called for more.

Eventually a second, a third, and a fourth series of advertisements were prepared and furnished the eager

agents. There is not a state in the Union that did see at least one campaign. No exact record of the number of insertions could be kept as the advertising department of that company had only time to produce the copy and the material so essential to meet the closing dates of the papers. The number of messages printed (insertion times circulation of the papers) runs into the thousands of millions, and even though we have to base our conclusions on estimates it can be said that from first to last it was one of the outstanding advertising accomplishments of the period.

It was the very popularity of the service with agents that eventually led to the second stage in the development of cooperative advertising by insurance agents on a firmer basis. It soon grew to be a national proposition, and at the rate it was developing it gave promise that in a few years it would be far too big a task to be carried on by a single company for the benefit of all companies. Local agents wanted the service enlarged and freely stated that if the number of advertisements available could be increased in number and somewhat broadened in scope, to more nearly fit the varying conditions in different parts of the country, the campaign would do more to bring the agents into a state of harmonious cooperation with each other than almost any other program that could be devised for their use. Agents liked the copy because it made a favorable impression on the communities where it was used. These agents, as a number

of them expressed themselves, liked and respected the company running the service, but some of them could not help being a bit jealous and feeling that greater good would be accomplished if the work was undertaken by an organization that represented all the companies generally and served all agents indiscriminately. It was hard, in some cases, for agents to forget that as first put out, the service was a part of the advertising service of a single company. As a consequence, the activities of the pioneer and all other individual companies was ended in 1926.

The National Board's Plan

Advertising, as you have probably noticed, is occupying a place of ever increasing importance in the business of insurance. In recognition of this condition of affairs, as well as to serve better the companies interested in and supporting the National Board of Fire Underwriters, that organization is following a carefully worked out plan for promoting the public relations of the fire insurance business, especially by the use of advertising; the need of which is recognized in the following words: "The insurance agent has an important message to deliver and a valuable service to give. A consistent plan of well written publicity will not alone encourage greater public understanding of his service, but will break down the barriers of sales resistance as well."

And to back up its statements the Public Relations Committee of the National Board of Fire Underwriters

has taken over the services formerly performed by the individual companies and is supplementing that service by additional advertising outlines of its own creation.

Each month there is a new advertisement offered in *Safeguarding America Against Fire,* a publication sent monthly to all local agents who ask to have their names placed on the regular mailing list.

It should be said in the first place that these advertisements offered by the National Board of Fire Underwriters are not designed for cooperative use. However, the tried and tested copy that was worked up for cooperative use by the company and released to the Board is always kept in stock and is sent out as occasion demands. In addition to the original supply of designs, the current displays put out by the Board can easily be worked over by any group of agents for use in a cooperative campaign.

The National Board's Offer to Agents

While this book was in preparation, the Public Relations Committee of the National Board of Fire Underwriters, from its office at 85 John Street, New York City, issued a circular which in the following words called attention to the advertising it was prepared to supply.

To meet many requests from local stock fire insurance agents, who have been using matrices of specimen advertisements appearing each month on the last page of *Safeguarding America Against Fire*, the National Board of Fire Underwriters has prepared a series of

A Service For *You*

The insurance agent is *your* representative. His service is of a highly specialized nature and his duties are not merely to collect premiums, but to study and understand your insurance needs and provide correctly for them.

As insurance representatives we are able to help you, and will review your needs and advise you without obligation.

Alexandria Underwriters Association, Inc.

MEMBERS

C. C. Batcheller
A. S. Doniphan & Son
Graham & Ogden
Charles F. Holden Co., Inc.
M. L. Horner
O. H. Kirk
J. R. Mansfield
W. A. Moore, Jr.
J. D. Normoyle
George Pickett
J. P. Quarles
Snyder-Kane-Boothe Corp.
Alfred Thomson
Washington & Kane
Welch & Estes

FIGURE 2. A TYPICAL PIECE OF COPY PUT OUT BY THE NATIONAL BOARD OF FIRE UNDERWRITERS

This advertisement will give a clear idea of the kind and the character of advertising being used by agents, in ever increasing numbers, through the cooperation of the Public Relations Committee of the National Board.

twelve illustrated newspaper advertisements to supplement those already in use. These advertisements have also been printed in booklet form. In addition to demonstrating the plan of a complete and comprehensive newspaper campaign the booklet includes a brief history of stock fire insurance.

It is the purpose of the National Board to thus assist agents in the preparation of newspaper advertising copy which explains some points about insurance not generally understood by the public.

This service supplements the newspaper advertising copy prepared several years ago . . . and now released to The National Board of Fire Underwriters.

Without cost the National Board will send to stock fire insurance agents matrices or cuts of any of these advertisements in one or two column newspaper sizes,[1] or will furnish the entire series, if desired.

If you, after having interested some of your fellow agents in the matter discussed in this book, should write to the National Board for help in local advertising, that organization will probably send you a portfolio. This will contain a selection of the advertisements as originally worked up, and others planned and designed to meet the needs of agents as these needs have been developed by many studies and investigations made in the field. All of these advertisements are intended to meet and clear up many of the points of the fire insurance business not now generally understood by the public at large, and to present things that should be told about a local agency and a local agent's business relation to business as a whole.

[1] This size referred to the new designs. The old cooperative advertisements are furnished in three-column and four-column sizes—it is not advisable to run group advertisements smaller than three columns wide.

The Board's Advice on Local Advertising

In addition to specimen advertising, the promise of free copy and free matrices (or stereotypes of the illustrations for papers not equipped to use matrices) the Board will give you good advice about local advertising. Note the following, taken from a recent circular on the subject:

First: Decide how much you will spend in advertising during a certain period of time—so much each month for a certain number of months.

Second: Request your local newspaper to furnish you with advertising rates. Figure the total newspaper space you can use for the amount of money you wish to spend, and contract with your newspaper for the space. Perhaps you may use several papers.

Third: The advertisements, to be most effective, should be inserted at regular intervals, such as once a week. Don't let the effectiveness of your plan be hindered by allowing too long an interval to elapse between appearances, or too small a space for your message.

Fourth: Experiments, over the period of a year, indicate a popular preference by the majority of agents for advertising space of one or two column width sizes. It is well to point out, however, that the largest possible display space, used regularly, commands greater public attention. Arrangements have been made therefore, to

furnish these advertisements in any size desired, as well as in the standard one and two column sizes.

Company Designs Given to National Board

Cooperative advertising is based upon the willingness of individuals, or separate units, to submerge selfish motives in the good of the business in which they are all engaged. So in 1927, when the National Board of Fire Underwriters undertook the task of serving local agents with advertising, the individuals and the companies—everybody who had contributed any part of the work or the expense of evolving and perfecting the idea of advertising by insurance agents saw an opportunity for a bigger, broader bit of service. As the first step toward reaching and serving a far larger number of agents they turned over something like fifty-two advertisements together with the plates and mats *in toto* to the National Board, while the copyrights were released to the local agents of America.

Fifty-Two Advertisements Meant Work

If you have not had an extended experience in the preparation of advertising and have never written advertising copy, it will be difficult, if not impossible, to give you any realization of what is involved in the production of four series of advertisements, with thirteen different displays and separate copy in each series. You see, that is enough advertising to enable you and a local board

to run an outstanding advertising campaign, with a change of copy each week for a year.

It took fully six months to get the first thirteen advertisements ready for use; to write the copy; get illustrations drawn; to lay out the display; and have cuts and electrotypes made. It took a long time because never before had anything of the kind been done in the insurance business.

First of all, what did the advertising have to sell? Not any individual agency of any particular company specializing in some phase of agency service, but local agents as a class; men who like you are as important to property owners as doctors, lawyers, bankers, or the policemen who patrol the streets.

It was necessary to decide what you insurance agents do as a service to the public. The copy and illustrations had to picture this work in an interesting way. And in the writing of these advertisements it became increasingly important to remember always that the hurried reader of a paper had not been educated in insurance matters and so was not interested in the subject, or in insurance agents. The copywriter could not forget that insurance copy was always competing with high priced writers of fiction, or some other feature in the next column.

It would be fatal in writing local agency copy to forget that each and every other advertiser in any paper used is beckoning by word and picture, inviting the reader to look and read. This advertising must meet the

competition for attention of all other advertisers, and meet it in the only possible way—by layout, illustration and type display that is different, yet not freakish. It is necessary to plan for advertisements big enough to make themselves seen; yet within the financial limitations of the advertisers.

And the result is well worth while. Again and again experts say that the advertising done by local agents since those early days is the best job of the kind in all insurance advertising. It is helping agents to get a little further ahead in the scramble for attention. That pleases the copywriters—but the fact that the advertising is used in city after city, and will continue to be so used without the change of a letter, is the best endorsement of the subject matter of these advertisements.

The first series sold the agent, his services and his importance to the business of a community. The second series carried the idea a step farther. It sold the local agent as the representative of sound, safe, helpful stock fire insurance companies; the third series of advertisements was made up of the strongest advertisements ever put into type on the subject of the individual's responsibility for the fire loss and the waste that loss entails. This particular set of advertisements was prepared to meet a need for copy that would call spades "spades" and not "implements for playing in the garden" and which would convict the careless of their carelessness before the bar of public opinion. The fourth series, based upon

thirteen illustrated anecdotes, rounded out the year's supply of advertising outlines.

Results Reported by the National Board

An advertising department, especially one connected with an organization such as the National Board of Fire Underwriters, is organized more for day by day service to agents than for the keeping of records and the checking of results. An average of two hundred and fifty requests for advertising service are received and handled each month at the office of the Board. Over eight hundred agents have used one or more pieces of advertising prepared or supplied through the National Board, either for a single agent or for a group of agents in a community.[2]

According to the expert in charge of the National Board's advertising, groups of local agents find that cooperative advertising in a local newspaper does several distinct things:

First: It makes the public conscious of the insurance men in the community.

Second: It gives the public an understanding that there is a quality mark in insurance service, exactly as there is in any other well advertised commodity or service.

Third: It promotes better agency relations.

Fourth: It suggests a vocabulary for the use of the agent that the public will understand.

[2] Reported as of June 1, 1928.

Fifth: It tends to remove bad practices from the business.

Sixth: It tends to eliminate the inefficient agent.

Raising the Money for Board Advertising

Money for cooperative advertising by insurance agents, as reported by the Public Relations Committee of the National Board, is usually raised under one or the other of the following four plans.

First: A pro-rata contribution, under which all agents joining the campaign pay an equal amount, or pro-rata share, into a common fund.

Second: By subscription, a plan under which the participating agents contribute anything they care to give into a general advertising fund.

Third: On an underwriting basis, whereby the agents in the group pay a certain percentage on their gross fire and casualty insurance premiums, calculated at a percentage sufficient to produce the required advertising budget.

Fourth: Under an arbitrary classification of agencies. Under this plan a certain number of agencies pay one price, based upon the amount of business done, and smaller agencies a less amount graduated according to the size of the agency. For example: An agency doing a business of over $150,000 would pay the top price; agencies doing between $50,000 and $150,000 would pay the second price; agencies doing between $25,000 and

$50,000, the third price, while agencies doing less than $25,000 would be classified for the minimum cost.

A Good Service for the Independent Agency

There are agencies which for one reason or another do not care to turn to any of the big companies for help in advertising. Then, too, cases have been known where one agent of a group, through representation of a big fire insurance company, could secure help from his company, but his fellow agents raised objection to his doing so. Jealousy may or may not be at the bottom of such objection. Whatever the basis, it is nevertheless a factor. In all such cases the services of the National Board is a godsend, for being representative of nearly all companies doing a general business, there can be absolutely no suspicion of company bias in any copy put out by that organization.

What the National Association Has Done

In advertising, just as in many other walks of life, you will find that many men have many ideas about how a thing should be done. In a large number of cities the agents who are members of the National Association of Insurance Agents dominate the agency situation. It was only natural that when such agents decided to get together on a cooperative advertising campaign they should demand a series of advertisements with a "National Association" flavor.

In 1927 that demand came to a head at the National Convention at New Orleans. The idea of having some machinery set up by the National Association of Insurance Agents had been considered officially and unofficially for several years, but the subject of local advertising was definitely put on the program at New Orleans. Two advertising experts, company men it is true, but experienced in local agency advertising and members of the Public Relations Committee of the Insurance Advertising Conference [3] discussed the proposition of cooperative advertising by insurance agents in connection with the New Orleans program with the result that the idea, and a plan for making the idea effective, were endorsed.

While the portfolio made up at the general headquarters of the National Association of Insurance Agents, 80 Maiden Lane, New York, is copyrighted, express permission has been granted to quote freely from it, so

[3] The Insurance Advertising Conference is an organization supported by the advertising and publicity experts of all kinds of fire, life and casualty insurance companies. Its purposes, as stated in the by-laws, are "(a) To unite all persons interested in any kind of insurance advertising for general improvement and betterment of form and method. (b) The promotion of the general good-will in the public relations of insurance. (c) The procuring and disseminating among the members of the organization of accurate and reliable information relative to the advertising of insurance. (d) The reform of bad practices or the improvement of the skill and craftsmanship of its members in the art of advertising. (f) The encouragement of a mutual interchange of ideas, experiences, and information, when such action does not prejudice the interests of any individual member or does not work to the disadvantage of the company with which any member is affiliated."

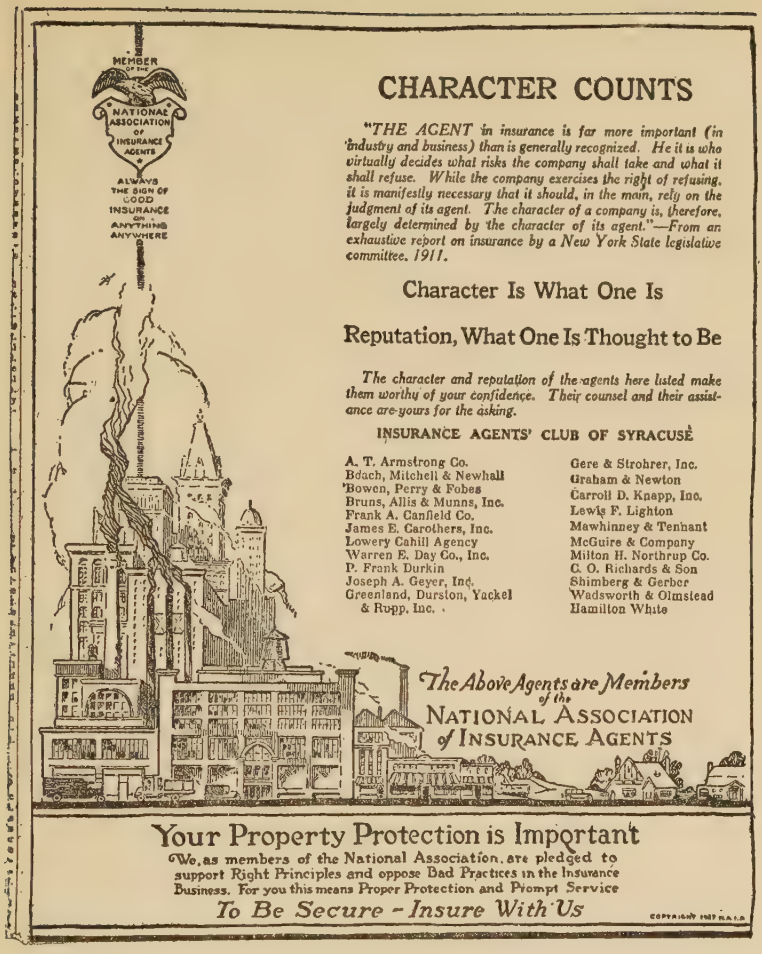

MEMBER OF THE
NATIONAL ASSOCIATION OF INSURANCE AGENTS
ALWAYS THE SIGN OF GOOD INSURANCE ON ANYTHING ANYWHERE
CHARACTER COUNTS
"THE AGENT in insurance is far more important (in industry and business) than is generally recognized. He it is who virtually decides what risks the company shall take and what it shall refuse. While the company exercises the right of refusing, it is manifestly necessary that it should, in the main, rely on the judgment of its agent. The character of a company is, therefore, largely determined by the character of its agent."—From an exhaustive report on insurance by a New York State legislative committee. 1911.
Character Is What One Is
Reputation, What One Is Thought to Be
The character and reputation of the agents here listed make them worthy of your confidence. Their counsel and their assistance are yours for the asking.
INSURANCE AGENTS' CLUB OF SYRACUSE
A. T. Armstrong Co.
Bdach, Mitchell & Newhall
Bowen, Perry & Fobes
Bruns, Allis & Munns, Inc.
Frank A. Canfield Co.
James E. Carothers, Inc.
Lowery Cahill Agency
Warren E. Day Co., Inc.
P. Frank Durkin
Joseph A. Geyer, Ind.
Greenland, Durston, Yackel & Rupp, Inc.
Gere & Strohrer, Inc.
Graham & Newton
Carroll D. Knapp, Inc.
Lewis F. Lighton
Mawhinney & Tenhant
McGuire & Company
Milton H. Northrup Co.
C. O. Richards & Son
Shimberg & Gerber
Wadsworth & Olmstead
Hamilton White
The Above Agents are Members of the NATIONAL ASSOCIATION of INSURANCE AGENTS
Your Property Protection is Important
We, as members of the National Association, are pledged to support Right Principles and oppose Bad Practices in the Insurance Business. For you this means Proper Protection and Prompt Service
To Be Secure - Insure With Us

FIGURE 3. COOPERATIVE ADVERTISING BY LOCAL AGENTS WITH AN ASSOCIATIONAL BACKGROUND

The design of this illustration, used by the Insurance Agents' Club of Syracuse, N. Y., in the *Post Standard*, December 16, 1927, is one provided by the National Association of Insurance Agents. It carries a copyright line restricting its use to members of that Association. It occupied a space of 10 inches over 4 columns. *Reproduced by permission*,

that it may be permanently recorded and presented along with the achievements made by other groups.[4]

General Statement of the Association's Plan

A portfolio put out on October 1, 1927, in which the National Association announced its plan, starts off with a "Foreword" which says that it is intended as a guide for local agents, showing how they can utilize their common interest to engage in a joint economic campaign:

> To sell their services as insurance counsellors.
> To remove public prejudice and sales resistance against insurance.
> To sell more insurance and more lines.

The plan of the National Association differs from all others in one respect: the design is identical for all the advertisements of the series. This will be touched upon later, in a chapter where the copy and design for cooperative advertising is discussed. As will be noted in the illustration on page 99, the layout features three elements: the standard design, or seal or trademark of the Association with the slogan, "Always the Sign of Good Insurance on Anything Anywhere"; and the picture of a cross section of a city. Incorporated into the design is the eye-catching line, "Your Property Protection is

[4] Agents are especially warned not to use any copy, designs or ideas reproduced in this volume and which mention the National Association in text or illustration without first securing written permission to do so from the National Association of Insurance Agents, 80 Maiden Lane, New York.—The Author.

Important." A new slogan was evolved for the campaign, which had often been used by individual local agents but had never before been incorporated into a general campaign. It was: "To Be Secure—Insure With Us."

The portfolio also says:

The purposes of the campaign should be accomplished by use of the copy herein contained as often as once a week. These pieces of copy deal with the principles of sound indemnity as opposed to assessment forms of contract; the idea of insurance as protection; adequate cover; complete protection; the indispensable service of the agent; how the local agent can help his assureds and other subjects.

The important point about this enterprise is that it has been prepared by an agents' organization, for agents, to meet their definite requests and needs.

It is to be noted that only those agents in a community who are members of the National Association of Insurance Agents are eligible to participate in this joint economic publicity plan. It has been developed exclusively for them.

This plan is not devised for occasional or sporadic advertising. To obtain results a group of agents must determine in advance to give it a fair trial by a contract with one or more local newspapers, for at least twenty-six insertions. Usually these may be run a week apart, except on special occasions when more frequent publicity is desired. Still better results would come from a contract for a year.

How Agents Procured the Plates

The offer of the National Association to aid and assist groups of local agents who were members was announced

to, and kept before, member agents by the *American Agency Bulletin,* a weekly paper published for its members by the Association. The method of securing the necessary plates for the illustrations, and the copy for future changes was set forth as follows:

Any local board or group of agents desiring to engage in this publicity campaign should communicate with the National Association. We will furnish at cost electrotypes of the permanent standard, with space left for the copy, that will change each time an insertion is made. This type copy must be set by the local newspaper. The electrotypes are available in three sizes—four newspaper column width (14⅛ inches high), three newspaper column width (12 inches high) and two newspaper column width (7½ inches high). We recommend the three column size as best adapted to most groups. In some cases it may be desirable to have all three sizes on hand to permit varying newspaper space as the campaign proceeds. The sizes are illustrated in this portfolio, which also contains a series of changing copy. Additional copy to fit a fire or accident or other event may be prepared locally as occasion arises.

The Major Thought

In telling the members about the cooperative plan the *American Agency Bulletin* said:

The first important fact is that there must be provided a prominent position for the major thought which is the application of insurance to the public. We are planning to work this out as the foundation stone in the simple but effective statement: Your Property Protection is Important, and contemplate building upon that axiomatic statement the whole superstructure. This statement of fact is indisputable; it is important and appealing; it

instantly commands attention; it covers all lines of protection and is equally applicable to the large and small owner everywhere.

Another fact stands out prominently. It is that the public appreciates the aims and motives that lead men to join and uphold the trade association in their field.

Explains Ethical Standards

Accordingly we want to utilize this fact and build the appeal of local newspaper advertising around it—to utilize this means of obtaining public interest and hold it by explaining the ethical standards on which our members conduct their business and their ideals of service to clients and the public. How great is that service we realize when we think of the tremendous task of distributing the indemnity that is the foundation of all our business and industry; of agents' public service in fire and accident prevention activity; and cooperation with chambers of commerce and other civic bodies.

The aim of any national advertising campaign for local agents should be an economic investment by a group of men in productive publicity—a business and good-will builder. Our proposed service is to be rendered the members by the National Association in response to their expressed desires. It will be available only to members of the State and National Associations.

Confers Benefit on All

It is true that advertising by one agent confers benefit upon all agents in a city. But under the plan here described the non-member will miss the great advantage of association membership.

One serious objection raised in the past by agents will be obviated—that the copy is "canned," so to speak, and does not permit the addition of local color and timeliness. The finest kind of advertising is an immediate follow-up the day after a fire or automobile accident or some other event, the result of which may be guarded against by insurance. That kind of general advertising has not been available previously.

The matter of financing, and the arranging of signatures was left to local agents to work out, with the following suggestion as a guide:

> The names of the member agents joining in the campaign can be left standing with the electrotype plate. If all members of a local board are members of the State and National Associations, and all desire to participate in the cost of the campaign, the advertising can be conducted under the name of the local agents' association instead of the individual members' names, if desired. In other words, the campaign is designed for those agents who believe in newspaper publicity and are willing to support the campaign, provided, of course, they are members of the State and National Associations.
>
> So we bring this advertising program to the attention of the organized agents in the belief that it will help them in their business. It will do more. It will educate the public; it will drive home the necessity of agents in insurance and will create a greater demand for additional business through the American Agency System.

Financing the National Association Plan

Advertising calls for the investment of money, usually in considerable amounts, and the advertising done by local agents under the guidance of the National Association of Local Agents was no exception to the general rule. The Association reports that as a general thing the bills were provided for under two methods of financing. One method was to utilize surplus funds in the treasury of the local boards. The other was to apportion the cost among the agents participating in the advertising. This

matter of planning and financing will be more fully covered in the next chapter, but the experience of groups in two widely separated cities may be of interest here.

In Wisconsin the Agents Shared Alike

In Green Bay, Wisconsin, where the local agents have carried on a cooperative campaign for some years with great success, the expense is shared equally by all agents participating. This group has used ideas furnished by three of the sources mentioned in this chapter, the companies, the Casualty Information Clearing House, and the National Association of Local Agents.

One of the agents participating in the campaign, writing early in 1928, to the author about the work there, said:

> I am very glad to tell you that the Green Bay Board has carried on advertising of this sort in the local papers for a number of years, in fact, long enough to prove to us that this advertising produces results.
>
> It not only has a big influence upon the public at large that reads the advertisements, but is also does much to hold together the interest of the members of the Board in the advertising itself.
>
> For some years back we have been using various forms of advertising. For one period of time we used the material made up for local board purposes by one of the fire insurance companies, and this was supplemented by special advertising that was prepared for us by the Casualty Information Clearing House of Chicago.
>
> This latter has to do particularly with automobile insurance, but since the first of this year we have started using the advertising prepared by the National Association of Insurance Agents

and we have had some very satisfactory results from it. Our ads have been commented upon very widely and most favorably.

You ask how we proportion the expense and how it is handled. We feel that each agency, no matter how large or how small it may be, shares equally in the results of the advertising, and therefore the cost of the advertising is proportioned out equally, each agency paying a full share.

Under our old system, the newspaper signed up the contract with the agents and collected the money, but we found this unsatisfactory because it developed that sometimes the advertising was delayed due to the fact that some of the agents had not paid their accounts, and this held up the entire advertising even though the other agents had paid up their accounts.

Eventually, the newspapers got us into a mess, and it was necessary for the bigger agents to make up a pool and pay up the amounts left by the delinquents. Therefore, we abandoned this scheme, and at the present time the advertising is paid for by the chairman of the Advertising Committee, and each member has to pay for six months in advance to the chairman of the Advertising Committee.

Kansas City agents who belonged to the National Association opened the year 1928 by setting aside $5,000 to be used in a cooperative advertising drive for recognition of the standing given them by membership in the National Association of Local Agents. In making the announcement of the campaign, these agents said they had the following objectives in view:

First: To build good will for stock companies.

Second: To educate the public: To enable people to buy insurance more intelligently.

Third: To increase the companies' profits and the profits of the local representatives.

A
Be sure of this label when insuring and be secure.
E
Insist upon this label on your insurance policy. It stands for strong stock company insurance.
B
Is this emblem on your insurance policy? It means strong stock company insurance
F
This emblem means good insurance. Is it on your policy?
C
When Insuring be sure this mark of reliability is on your Fire Insurance Policy.
G
Real Fire Insurance Protection, if this label is on your policy.
D
The mark of quality on a Fire Insurance policy. Is it on yours?
H
The standard by which to judge a Fire Insurance policy

FIGURE 4. SLOGANS USED AT KANSAS CITY, MISSOURI

The originals of this illustration were printed in two colors. These stickers were used on policies by the Insurance Agents' Association of Kansas City, Missouri, and the same copy in the newspapers, in an endeavor to establish the trademark of the Association.

When the campaign was ready for release, the secretary of the group, the Insurance Agents' Association of Kansas City, to give its full name, wrote a letter to the executives of all the stock fire insurance companies represented in Kansas City. That letter put the matter of company and agent, and their common interest so squarely up to the companies that the interrogation is entitled to a place in this record. The Kansas City agents asked:

> The question in our minds is this: What are the stock fire insurance companies going to do about it? It would appear to us that a properly worked out cooperative advertising proposition through local newspapers over the country would tell the story to the insurance buying public in a way that would increase the sale of fire and allied insurance lines and the change in the public attitude would be of untold benefit in loss adjustments on account of the large number of unjust losses being paid through being afraid to have the case go to trial on account of the well-known animosity of juries against insurance companies.
>
> We appreciate the difficulty you will have in securing cooperation from your contemporaries, but we are asking you to bring the matter to the attention of your public relations committee, with the recommendation that a campaign of this sort be worked out at a not too large cost to the various companies involved and we feel that the expenditure would be more than justified by the different attitude which could be produced in the public mind in so far as the stock fire insurance company is concerned. We would appreciate hearing from you as to your reaction in this matter and we would be glad to entertain the public relations committee in Kansas City any time in the future.[5]

[5] This was just prior to the opening of the associational advertising by The National Board of Fire Underwriters.

Space rates are high in Kansas City. The advertising consisted of a small display featuring the membership seal of the agents who belong to the National Association. It was probably based upon what is called the "sign of good insurance" sticker, designed to be pasted upon the policies issued by the members.

The advertisements were run in the daily papers of Kansas City each day except Sunday, rotated in each of the four papers, each piece of copy appearing in a different paper four days in succession. The budget of the campaign called for an expenditure of $5,000 over a period of a year. It was decided that it would be necessary to run for this period to obtain the desired results and the required public reaction.

Supplemented and coordinated with these advertisements, the Insurance Agents' Association of Kansas City had made a large quantity of red stickers for attaching to all fire insurance policies issued by Association members. The stickers were the same size of the seal design and identical in appearance to the design used in the advertisements. It is evident that the main purpose was to establish in the minds of the insurance buying public, a quick recognition of the emblem.

Building Business as Well as Respect

According to the National Association of Insurance Agents, the "experience of groups of agents in cities where the campaigns have already been used is most en-

couraging. Not only do members express the belief that they are building business through this advertising, but in addition they feel that there is increased respect in the public mind for both the business of insurance and the agent members of the National Association."

At the time the manuscript for this book was prepared, the work was too new for anybody to appraise it definitely or to forecast its future. In studying the advertising of the National Association, and the agents working under that plan, it should be realized that the National Association's local board campaign, while brought forth in answer to a specific request from many of the members, was but a part of and included in a general five-year development campaign of the national body in the interest of the members. In forecasting the future of the advertising, an executive of the Association said: "I believe that agents who participate in our advertising campaign will, as experience already indicates, profit both by greater public confidence for themselves and insurance, any by becoming better agents through the stimulation provided by the campaign and the other features of our service and thus build a greater volume of business for themselves."

An Early Campaign in Chicago

Replacement values were high away back in 1917. As a consequence the property owners of the country were very badly under-insured. The members of the Chicago Board of Fire Underwriters, growing tired of a day-by-

BURNED OUT

— and only half insured !

—His insurance policy, like yours, calls for nearly the sum he paid for his goods and the building.

—But he forgot that he had added improvements and bought more furniture.

—He forgot that to replace his things today costs considerably more than he originally paid.

—You, too, very likely, have forgotten to revalue what you own on the basis of the high prices existing today. And, therefore,

You May be Under-Insured Against Fire!

Suggestion: Get out your fire insurance policies today, and write or telephone your insurance agent for information that will surely benefit you.

Over 40 fire-alarms today. Over 40 tomorrow. Over 40 the next day—and every day. That is Chicago's average. Your turn may come next—in 10 minutes—in an hour—tonight—tomorrow.

Don't gamble on fire. You can insure what you own for its present high value at little additional cost.

Everything has risen in cost except fire insurance. *Its cost has decreased on the average about ¼ since 1913—in Cook County.*

Rates, on equal risks, are the same to all.

Telephone, call upon, write or mail the coupon to your insurance agent—now! His address is on your policy. Hundreds of those who today read this paper will suffer by fire sooner or later. You stand no better chance than the next person. Properly protect yourself at once!

THE CHICAGO BOARD OF UNDERWRITERS
Of Chicago

Founded 1856, Incorporated 1861 by Special Act of Illinois Legislature

21st Floor, Insurance Exchange Bldg.
Telephone WABASH 4151

The Board does not recommend excessive fire insurance or insurance on present day values on property that has depreciated by reason of age or wear and tear.

Meet Your Insurance Agent Half Way!

Mail him this coupon—today!

Insurance Agent .....

Address .....

Without obligation to increase my fire insurance, I would like to talk over the matter of more completely protecting myself against fire losses.

Name .....

Address .....

Copyright 1917
Wm. H. Rankin Co.

FIGURE 5. IN 1917 THE CHICAGO BOARD OF UNDERWRITERS GOT TOGETHER

day, man-to-man effort to get the property of that city under the protection of insurance, turned to advertising for help.

An arrangement was made with a prominent advertising firm of Chicago to handle a big campaign in the city of Chicago. A ten-week campaign in large space in the Chicago papers was the result.

That campaign, aside from being an extremely interesting experiment, demonstrated as perhaps nothing else could have done a basic truth of advertising. It was run only a little more than ten years ago, yet it seems quite impossible now to go back and reconstruct the campaign and learn its details. People do forget—they forget advertising and the things advertised, unless constantly reminded of the things they should remember.

However, it is recalled that the campaign at that time attracted a great deal of attention and agents in other cities wanted to use the idea. The Chicago Board of Fire Underwriters were not especially interested in advertising in other cities, however, so the designs were copyrighted by the agency that originated and handled the copy and display. Other boards, or the newspapers of other cities, had to make financial arrangements with the advertising agency in whose name the advertising had been copyrighted if the copy was to be used.

In Hartford, Connecticut, a group of the companies procured the mats and ran a campaign for the local agents of the city that cost $1,000.

The fact that the designs were copyrighted, and sold to local agents at a high price, discouraged local groups so in 1923 or 1924 one of the insurance companies in Hartford bought the copyright from the Chicago agency and released the designs to the local agents of America, free of charge. That company also provided the mats for the displays to agents without cost.

Cooperating to Advertise on Special Days

There is one day that seems to be set aside by governmental proclamation for local agents to devote to advertising. It is fixed each year by proclamation of the President of the United States, by all governors and by most all mayors: that day is Fire Prevention Day, usually the ninth of October, the anniversary of the great Chicago Fire.

With the government executives calling attention to the dangers, the economic waste, the loss of life and the losses of property caused by carelessness with fire, what could be more fitting than that local agents should get together on a cooperative basis and advertise the service they are prepared to render to property holders in helping prevent unnecessary fires? And, of course, as a natural corollary, the story of insurance as a means of securing indemnity for the unavoidable losses that come with fires was a major part of the advertising done by the local agents.

The newspapers recognized an opportunity for effec-

tive advertising before the agents did. But fire insurance advertising is hard to write, and harder to illustrate. Where could they get help? Earnest Elmo Calkins, quoting Emerson in *Business the Civilizer,* says: "After all, the greatest meliorator of the world is selfish, huckstering trade." One fire insurance company saw in the demand of the newspaper for help in preparing Fire Prevention Day copy two things: an opportunity to serve its own agents, and a chance to add something to the people's common store of fire prevention information.

The cooperation took a direct line. Striking advertisements were prepared, and proofs sent to the advertising departments of daily newspapers, with the suggestion that the newspaper present the proposition to the local agents and sell space. When the space was sold the insurance company agreed to furnish a mat of the advertisement.

Hundreds of such pages were sold each October for several years. But the business offices of America's newspapers have been imposed upon so much that it is only natural that some publishers were suspicious of a "catch" somewhere in the proposition and, being suspicious they did nothing about it.

The Fire Prevention mat service grew until in 1927 it had become an outstanding success. However, as the National Board of Fire Underwriters became better equipped to take up the work, the company which had carried the load for all companies stepped back and reluctantly re-

LET'S RUN THIS THUG OUT OF TOWN
This is Fire Prevention Week
The most disreputable character in this town of ours is Fire. He is our vilest murderer, our biggest thief, our most treacherous enemy. Let's all cooperate to run him out of town.
In 1926, the average burning rate for the nation as a whole was $1,535,750 every day. In 1925 it was $1,532,698. Figure it down to minutes, and you see that $1,066 goes up in smoke every time your watch ticks off sixty seconds.
And remember this—two out of every three fires are preventable. That means that two out of every three fires here and in other communities, are caused by ignorance or by carelessness.
This is Fire Prevention Week—a time to give serious thought and take serious action. Let's all learn to be sure that our matches, cigars and cigarettes are out before we toss them aside; let's make sure that chimneys and flues are in good condition; let's keep our homes, stores and factories clean and free from rubbish; let's build as safely as we can and take every means to protect that which we build.
Let's all do everything we can to run Fire out of our town.
Published in the interests of Fire Prevention by
H. R. BASSLER, REALTOR
Insurance of All Kinds
HARRY W BUTTS
Insurance
ALLAN HERR & CO.
Insurance
JOHN F WEAVER & CO.
Insurance
C. F. BOWMAN
Insurance
ENGLE & HAMBRIGHT
Insurance
JOHN H. MYERS CO.
Insurance
WIDMYER-PRANGLEY CO.
Insurance
J. N. BRANDT
Insurance
ESHLEMAN & MELLINGER
Insurance
J. O. NISSLEY
Insurance
WARREN WORREST
Insurance

FIGURE 6. A GOOD EXAMPLE OF SPECIAL DAY ADVERTISING MADE POSSIBLE BY COMPANY COOPERATION

For a number of years big striking advertisements, featuring fire prevention messages, were furnished to newspapers and used on a cooperative basis by local agents to warn property owners of the danger of fire.

linquished a field it had dominated for years. If anything is done in the way of cooperative advertising for Fire Prevention Week hereafter it will probably have to be done by the National Board of Fire Underwriters, or some other organization of the companies, or by some organization representing the local agents. Possibly the newspapers themselves will see the opportunity and organize to meet the needs of the agents.

A few figures may have a place here, as they indicate the possibilities of cooperative advertising on special days. These figures are from the records of a single fire insurance company. They cover only the last two years of the Fire Prevention Week mat service to newspapers and local agents.

	1926	1927
Number of newspapers taking up the proposition by asking for mats	146	167
Number of mats furnished to newspapers	278	358
Amount of space if used but once, pages	278	307½
Estimated circulation of these papers	3,109,149	2,438,419
Estimated revenue to papers at card (local) rates	$50,571	$38,749

A Big Advertisement Each Week For A Year

In the spring of 1923, an advertising man from an Eastern fire insurance company was in Los Angeles on his company's business. He had put in a hard day and, by one pretext and another, had saved a night free from

engagements so he could catch up a little much needed rest.

Just about 9 o'clock, the night he had schemed so hard to keep to himself, he stretched out on his hotel bed, pulled the sheet to his chin, and when with a self-addressed remark, "Now I'll make up some of the sleep I owe myself," his telephone rang furiously.

Not daring to ignore the call, he sleepily said "Hello," and over the wire came a message something like this; "Say, the Los Angeles Board of Fire Underwriters is having an annual meeting tonight. We want you to take a taxi and beat it over here to tell us something about cooperative advertising."

The explanation that he had retired met a positive suggestion that he could get up and dress. The agents would wait. So the advertising man got up; dressed and taxied to that meeting.

In due time he reached the hall where a banquet had been held. The agents, quite a crowd of them, were lighting their cigars. The advertising man no sooner reached the head table than he was introduced to talk on "Cooperative Advertising by Insurance Agents."

He had received no instructions as to what he was to say. Being in doubt he gave a selling talk. The talk seemed to be getting over, so he talked big; big space in a paper that charged about $7.00 an inch for advertising; a big job worthy of the thoughts and planning of a big bunch of agents in a big progressive city!

About that place in the talk a few agents were nodding their interested approval, and noting this the advertising man stopped his speech and asked:

"How many of you men are following me? How many have a clear picture of what such a campaign would mean, what it would accomplish? Let me see. Hold up your hands."

Practically every hand in the room went up. Then the speaker did a daring thing. He said:

"If you follow me, and understand what I have been talking about; if you realize what it would mean to the insurance agents of Los Angeles to run such a campaign, need I say more?

"All of you who are willing to back your understanding and your good opinion of such an advertising campaign with your money and are willing to refer this matter to a committee to work out the details, with power to act, keep your hands up—the rest of you take them down."

The hands stayed up and the meeting adjourned. The advertising man returned to his home down east.

The Biggest Insurance Cooperative Campaign

On the second day of May, 1923, the news broke of the biggest cooperative advertising campaign ever undertaken by a group of local agents. It was announced in a telegram that read:

"LOS ANGELES AGENTS HAVE CONTRACT FOR FIFTY TWO WEEKS WITH TIMES FOR COOPERATIVE ADVERTISING PLEASE SEND FOUR COLUMN

CUTS TO THIS OFFICE AND PREPARE MORE COPY."

That was the start. As a result, two hundred and eight columns of advertising appeared over the signature of the Los Angeles Fire Insurance Exchange. The details are lost, because, in the average advertising man's office five years is a long, long time and there is little disposition to keep files or records of the past: it is the future that counts most in advertising. However, you may be interested in a few paragraphs from that advertising man's letter that went back to California by return mail. To quote:

> It is a good thing my heart is strong . . . even if my mind is weak. Otherwise somebody's wife might be a widow.
>
> I must have sold the idea harder than I realized. I expected they might want a few more ideas. Forty pieces of copy, in addition to the original twelve, to fill four columns space, is a lot of copy, you can tell the world.
>
> May I suggest that you watch this campaign closely. It promises to be the biggest thing of the sort in the whole U. S. A. . . . if the local agents would like to have the insurance papers of the country write up the campaign, as well as *Printers' Ink, Newspaperdom,* and a few more magazines, I will be glad to take any dope that is furnished and work it into a few stories. It is, as I see it, a typical Los Angeles job.

The "Insure In April" Campaign

Full coverage automobile insurance has long been desirable business in the eyes of local agents. Volume runs high on the books of a successful agent. A car owner

who gives an agent his fire, theft, liability, collision, and property damage insurance, to say nothing of a number of other side lines connected with the ownership and operation of a motor car, cedes to that agent a desirable and profitable bit of patronage. And just as a farmer finds the most sticks under the sweetest apple tree, so will the insurance agent find that there is keen competition for automobile business, not only between individual local agents, but between the companies writing automobile insurance as well.

This competition is clear cut and rather acute between the agents of stock companies and the representatives of the reciprocals and mutuals specializing in automobile underwriting which abound in the country. In recent years the fight between the two types of agents has been particularly intense in the states of Indiana, Michigan and Illinois; so keen, indeed, that in 1927 the Casualty Information Clearing House, an organization maintained by the stock casualty companies with headquarters at 208 South LaSalle Street, Chicago, decided to do something about it.

The Casualty Information Clearing House studied the trends of the business of insuring automobiles and found that the figures for 1925, the latest available at the time of the study, showed that in the state of Indiana the stock companies in 1925 wrote 50.2% of all the automobile business. These figures included the automobile business of the fire insurance companies as well as the

casualty carriers. In Michigan the stock companies wrote only 53.2% and in Illinois 68.6%. In each case the 1925 percentage represented a substantial decrease from the income of 1924 and 1923. In Michigan this decrease amounted to 8.5%, the largest loss in any state.

One point which was not brought out in the original study, and which was an extremely important one, was the fact that the decreasing business written did not result entirely because of the difference between the stock company rates and those of the mutuals and reciprocals; for in many instances, some of the mutuals and reciprocals were actually getting more than the stock company manual rate for full coverage. This fact illustrated better than perhaps anything else the necessity which existed and undoubtedly still exists for some vigorous action on the part of the stock companies.

The Problem as the Companies Saw It

It seemed to the secretary of the Clearing House that the main objective to be sought was some method of organizing the sales efforts of the local representatives into a drive for business; in the belief that the difficulty was to a considerable degree a mental one—that these local representatives had not been soliciting automobile insurance as hard as they might have done. To encourage them and help them get back into a producing stride, it was proposed to organize a drive at the opening of the

spring season. This was called the "Insure In April" campaign.

It was decided that the backbone of the campaign would be newspaper advertising. The copy was prepared by the Clearing House, with the help of advertising experts employed by the companies, and this advertising was to be used locally and paid for under a cooperative arrangement by groups of local agents in the states selected for the demonstration, or experiment. The general plan contemplated that during the period of the drive all stock companies and the agents of such companies should place special emphasis on and devote a major part of their sales and advertising effort to writing automobile insurance.

While the special newspaper advertising was featured in the plan, emphasis was also laid upon the fact that such advertising should be followed up vigorously by all agents through their own individual advertising in newspapers as well as through the mails, and by personal solicitation. It was a well rounded plan which provided for coordinating all of the efforts of the individual agent so as to have cumulative effect upon the public. To this end the slogan, "Insure In April" was adopted. It was carried through all of the newspaper advertising. Many of the agents used it in their individual advertisements, and on their circulars. In many instances stickers were used carrying the same slogan.

The plan called for cooperative effort and a sharing

of expenditures by groups of agents. The more agents actively boosting the "Insure In April" idea the greater would be the immediate results and the less the individual advertising expense, argued the promoters of the campaign. Since many agents in the three states where the drive was concentrated represented companies that were not affiliated with the Clearing House, and since the active cooperation and financial support of such agents meant a lot in the successful carrying on of the drive, the scope of the campaign was broadened to include agents and companies not members of the Clearing House.

The Program of the Clearing House

The most important feature of the campaign, for the purpose of our present study, was the newspaper advertising. This was made up in nine separate pieces and was described in the report prepared by the Clearing House as follows:

> In order to get any effect out of a campaign of such short duration, it was necessary to use large space. The first thought of the advertising committee was that it would be advisable to use full pages, but a plan was finally worked out for getting approximately the same effect out of smaller space. Out of the nine advertisements, four were made six columns wide by approximately fifteen inches deep and the remaining five were four columns wide by twelve inches deep. Mats were made up in sets and furnished without charge to the agents in any city, town or village where they agreed to run the campaign. The space was contracted and paid for entirely by the participating agents.

The whole proposition was then presented to the local agents through a broadside on which was reproduced all the displays and advertisements in size large enough for the agents to get a good, clear idea of the type and character of the proposed advertising. This broadside was sent to all the names on the entire list of the Casualty Information Clearing House in the states named and copies were also distributed to the agents of all the important companies which were not members of the Clearing House. Copies were also sent to every daily newspaper in the three states selected for the campaign and many of these papers rendered excellent help in securing the cooperation of the local agents in the main campaign.

In addition to the explanatory broadside, something of an organization of the local agents was effected through a series of group meetings at various places in the three states, where the Clearing House representatives and field men outlined the plan. The Home Offices of these companies contributed additional agency helps in the form of letters, folders, and special newspaper advertisements designed to tie up the efforts of the individual agent with the main campaign.

Campaign Run In Seventy-seven Cities

A careful check-up was made by the Clearing House after the close of the campaign, and from a report of that organization the following is quoted:

In all, the campaign was run in seventy-seven different cities, towns and villages. These ranged from cities such as Chicago, Indianapolis, Grand Rapids, Rockford and Flint down to villages having only a weekly newspaper and where there were only two, and in some cases, only one agent to use it. In Detroit the agents decided not to use the newspaper advertising. Later an accident company writing the line, took the copy which had been prepared, added its own advertisement to it and ran the whole thing in its own name and at its own expense in all the Detroit papers. A total of six hundred six agents participated in the various campaigns and paid their pro rata share. Outside of Chicago the cost to each agency ranged from an average of $66.60 in Rockford, Illinois, down to $6.30 in Cobden, Illinois. The average expenditure over all was $28.22. The total expenditure by the agents for newspaper advertising alone was $16,961.43. This is at the rate of over $203,000 a year and in only three states having approximately thirteen per cent of the total automobile business of the country. If this same rate was maintained over the country as a whole, it would amount in the period of one year to the expenditure of more than $1,500,000.

In order to ascertain the opinions of the agents as to the benefits of the campaign, a questionnaire was sent to all of those who had participated in one manner or another in it. The replies indicated the following:

Believed the campaign was worth while	162
Believed the campaign was not worth while	84
Undecided	4
In favor of repetition	163
Not in favor of repetition	80
In doubt	7

Roughly sixty-five percent of the agents, basing their opinions upon the returns, believed that the campaign

had been a success and helpful. This was regarded as a very favorable response, especially in view of the resistance to the campaign naturally coming from the less diligent agents for whom the campaign was particularly conducted.

Conclusions that May Be Helpful

The principal benefit, aside from an interesting story of a little pioneering in cooperative advertising, lies in the following conclusions drawn by the Casualty Information Clearing House:

First: Well planned collective sales effort will sell insurance where it has not heretofore been sold by individual effort;

Second: Regardless of local cut rate competition, sound insurance can still be sold at a fair and adequate price and sold in sufficient volume to make it profitable to the agent;

Third: One of the most valuable features of any collective selling program is its stimulating effect on the participating agents;

Fourth: Where a plan of collective newspaper advertising is supplemented by other forms and followed up by vigorous personal selling by all participating agents, it will pay for itself many times over;

Fifth: Newspaper advertising alone, not backed by mail follow-up and/or personal selling is no doubt of

some value, but certainly falls far short of attaining anything like maximum results;

Sixth: It is important that all or a large part of any local newspaper advertising, aiming to stimulate the sale of insurance, should be paid for by the agents themselves if it is to secure their best personal support. It may well be supplemented by other methods of advertising, perhaps paid for by the companies.

To these should be added at least one other. Just as including companies not affiliated with the Clearing House increased the number of agencies contributing to the campaign fund and thereby reduced the individual financial burden, so the broadening of the scope of this and any similar drive will increase its force and decrease its cost to the individual.

Boiled down to bed rock, it is a fair conclusion that the more active participants there are back of a cooperative agency campaign, the greater its impetus, the more fruitful its results, and, equally important, the larger the returns to the individual agent in proportion to the financial investment he makes.

Using a Creditmen's Publication

Naturally you think of the local newspapers when you think of publishing a series of printed messages. But there are other media, often well suited to your needs. In many of the larger cities the Chamber of Commerce

publishes a magazine that accepts advertising. What could be better designed for a group of agents than such a publication, with a circulation among the very business firms the agents wish to impress?

An experiment of this nature has been going on for several years. It came about in this manner:

The Creditmen's Association at St. Louis publishes a little magazine which enjoys a considerable circulation among business houses in that city. It carries a limited amount of advertising. Some five or six years ago a reciprocal insurance organization decided to buy the back page on an annual basis, but there was something about the idea of reciprocal insurance that the editor of the publication did not like, so he thought he would discuss the matter with a business friend who was the local representative of a number of old line stock fire insurance companies. The agent explained the essential difference between stock fire insurance and reciprocal policies, and then asked: "Why don't you get the agents of the stock companies to advertise?"

But the editor explained that, as is quite often the case with small specialized publications, competing advertising would not be accepted.

That gave the agent an idea . The idea was put up to the St. Louis Board of Fire Underwriters and a contract for space was quickly made. Then a friendly advertising manager for a fire insurance company undertook to write the copy and plan for the display. As a consequence a

contract that was entered some years ago as a defensive measure has been renewed each year since, because those agents feel that it is a profitable investment for them all.

A Spot Campaign By a Small Group Of Agents

In the state of Connecticut the automobile laws permit of a pro-rating of the cost of automobile licenses after the first of April. As a consequence there is a considerable number of drivers who put up their cars from the end of the old year until the first of April, at which time they take out licenses for the balance of the year. A number of car owners also permit their automobile insurance, particularly covering liability, property damage, collision and coverages of that sort, to lapse or they cancel their policies for the three month period. As a consequence there is considerable activity both in the automobile registration department and in the offices of local agents on April first.

Some three or four years ago the advertising department of the *Hartford Courant* sensing a chance to sell some advertising space, presented a proposition to a group of local agents under which these agents were to pool their advertising resources and make a full page cooperative warning to such drivers not to take their cars out of their garages without adequate insurance, to which was added a timely warning to re-instate suspended automobile insurance.

The advertising solicitor of the paper had no difficulty

whatever in securing the consent of five agencies to run an advertisement the last few days of the month of March. This was some four years ago. Each year since that time the same agencies have got together on the same proposition. They report that it has been an extremely successful type of cooperative advertising.

The advertising department of the *Courant* has practically closed the pool for the future to the five agencies who bought the original space on a share and a share alike basis.

Judicious inquiry at the advertising department of the local paper brings out the fact that in soliciting cooperative advertising from local agents, the objection that such advertising is not profitable is seldom if ever given. The greatest obstacle to more cooperative advertising that the papers have to meet is the general disinclination on the part of many agents to do any advertising whatever on their own responsibility, to which is often coupled the belief that newspaper advertising usually costs too much money.

Agents Cooperate With Their Companies

In 1926 fifteen fire insurance companies, operating in what is known as Western Union territory, were conducting an advertising campaign in the hope that they might improve conditions in the farm branch of the fire insurance business, especially as regards losses which were dangerously excessive. A number of farm publications

WARNING!

DO NOT DRIVE YOUR CAR
Without Adequate Insurance

Re-instate Suspended Insurance!

Everytime you operate your car without insurance is tempting fate!

With springtime doubling the number of registered cars, the number of accidents are bound to increase.

YOU cannot afford to laugh at the possible loss of several thousand dollars.

If Henry Ford, John D. Rockefeller and J. P. Morgan with all their wealth believe in insurance, how can a man to whom loss would be serious ignore insurance?

Cover yourself adequately—remove from your mind any mental agitation, any need to worry about the financial loss which traffic accidents incur, or the loss of your car by fire or theft.

If you lose your car or become liable for any damages, Insurance Pays for YOU.

Again we say, "Renew Suspended Insurance" — and above all, be PROPERLY covered.

Join the ranks of the Insurance Protected Auto Drivers.

Complete Information As To Rates and Coverage Given Without Obligation.

Allen, Russell & Allen
50 Lewis Street

Alton E. Woodford
34 State Street

Beach, Forman & Co.
24 Central Row

Wakefield, Morley & Co.
209 Pearl Street

F. F. Small & Co.
95 Pearl Street

Remember! The Man Who Operates a Car Without Insurance is Invariably the Man Who Loses

FIGURE 7. GETTING READY FOR ALL FOOLS' DAY IN HARTFORD

In Connecticut it is possible to pro rate automobile licenses after April 1. That means a number of cars are taken out of cold storage the first few days of April. Five agents have established the yearly habit of combining their advertising in a warning of these drivers not to drive without adequate insurance.

were used to carry the copy which was signed by fifteen companies.

Quite an extensive plan for tying up this advertising with the efforts of the individual local agents was worked out by the advertising agency and as a part of that tie-up the local agents were offered electrotypes of advertisements which localized the advertising messages over the names of individual agents.

These advertisements were designed to be used by the agents in the local home-town papers to impress upon the farmer readers of those papers the fact that the messages they had read in their agricultural publications were endorsed and backed up by the agents, and for the further purpose of telling them that the local agent had something to sell him that was very desirable. That something, of course, was protection against loss because of the destruction of his farm buildings and equipment by fire. But that was not all. The chief and outstanding aim of the advertising was to prevent fires, thereby reducing the huge, unnecessary losses of property, and even life, that was taking place on the farms.

Apparently here was an ideal subject for cooperative advertising. The companies met it cooperatively.

But, so far as has been recorded, only one group of local agents saw in the campaign a splendid opportunity for cooperative advertising by insurance agents, a wonderful chance for them to get together to back up the same idea the companies had got together to put forward. At

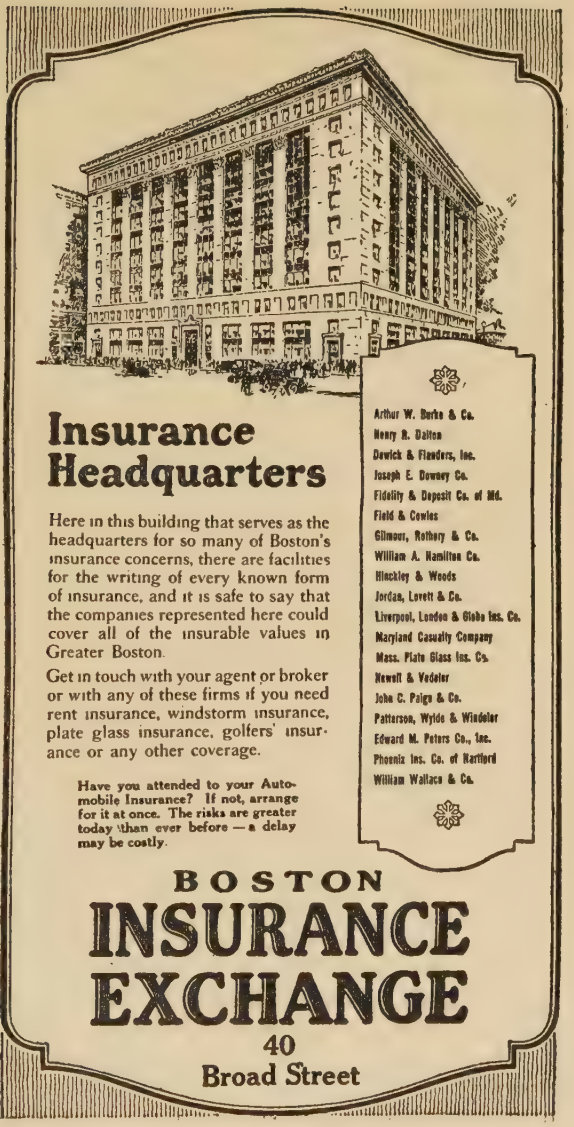

Insurance Headquarters
Here in this building that serves as the headquarters for so many of Boston's insurance concerns, there are facilities for the writing of every known form of insurance, and it is safe to say that the companies represented here could cover all of the insurable values in Greater Boston.
Get in touch with your agent or broker or with any of these firms if you need rent insurance, windstorm insurance, plate glass insurance, golfers' insurance or any other coverage.
Have you attended to your Automobile Insurance? If not, arrange for it at once. The risks are greater today than ever before — a delay may be costly.
Arthur W. Burke & Co.
Henry R. Dalton
Dewick & Flanders, Inc.
Joseph E. Downey Co.
Fidelity & Deposit Co. of Md.
Field & Cowles
Gilmour, Rothery & Co.
William A. Hamilton Co.
Hinckley & Woods
Jordan, Lovett & Co.
Liverpool, London & Globe Ins. Co.
Maryland Casualty Company
Mass. Plate Glass Ins. Co.
Newell & Vedeler
John C. Paige & Co.
Patterson, Wylde & Windeler
Edward M. Peters Co., Inc.
Phoenix Ins. Co. of Hartford
William Wallace & Co.
BOSTON
INSURANCE
EXCHANGE
40
Broad Street

FIGURE 8. SELLING A BUILDING TO BOSTON AS THE INSURANCE HEADQUARTERS OF THAT CITY

Once the local agents of Boston were scattered over the city, many of them being on Milk Street. When the Boston Insurance Exchange was ready a score or more firms moved into new quarters there and sold the new location as a place for Boston people to go for their insurance. They used cooperative advertising.

Storm Lake, Iowa, there were five local agencies interested in the development of farm business, and these agencies pooled their interest and their money, took space in the Storm Lake paper and in effect said to the farmers of that community: "We are the kind of agents the Legal Reserve Insurance Companies have been telling you about. We have the booklets on fire prevention on the farm you have read about in your farm paper. We are here to be of service."

Selling a Building to a Community

Another case of the proper use of cooperative advertising by insurance agents comes from a big city where such advertising was used to sell a building to the people of that city as the insurance center.

A new building had been completed at 40 Broad Street, Boston. It had been put up with the idea that it would provide a suitable home for Boston's insurance firms, general agencies, local agencies, special agents, and others closely identified with the business. When this building had become an actuality and the respective insurance tenants had become settled, somebody thought that some publicity should be given to the fact that Boston had a building to be known as the "Boston Insurance Exchange."

Early in the spring of 1926 the new tenants held a meeting, appointed a committee to work out a plan for advertising the building and the employment of an ad-

vertising agency to plan a campaign to acquaint the people of Boston with the location of the building and its purpose. A fund amounting to $2,314.10 was collected and a display of some fifteen inches over four columns run in the Boston papers according to following schedule:

Boston Globe	April 21, 1926
Boston Traveler	" 26 "
Boston Herald	" 27 "
Boston Post	May 3 "
Boston Transcript	" 12 "
Boston American	" 17 "
Christian Science Monitor	" 24 "

A standard display was used throughout the series, the idea being to use as much space as the money at hand would buy. The newspapers made the art plates and set the type without charge.

When the campaign was started it was the intention of the committee, to run the advertising for a year at least, but the end of the first period found the promoters at the beginning of warm weather and vacations and it went no further.

The advertising was signed by nineteen firms, and the opinion is that it was highly satisfactory as far as it went, since it attracted attention to the new building, and it was definitely reported that in some instances it greatly stimulated business for those who participated.

CHAPTER VII

HOW TO ORGANIZE A GROUP AND RAISE THE MONEY FOR COOPERATIVE ADVERTISING

The outline for this chapter was written one evening after a day spent "in conference" with a group of local agents. The purpose of that conference had been the planning of some cooperative advertising. That meeting was so typical of many others which have been held that out of it you may be able to cull a plan for your own guidance when you decide to organize your associates into a group and raise the money for cooperative advertising by the agents in your own home town.

Here are the essential facts: A situation came about in a neighboring city that had excited some of the property owners and worried the fire insurance agents. It had to do with a change in the system of rating for fire insurance purposes. You know that anything connected with the fixing of charges for insurance has in it all the elements of trouble and misunderstanding. The change in this city was largely one of method. As was to be expected some old inequalities were discovered and some rates increased. Of course, some owners cried to high heaven about injustice. Those whose rates were lowered kept discreetly

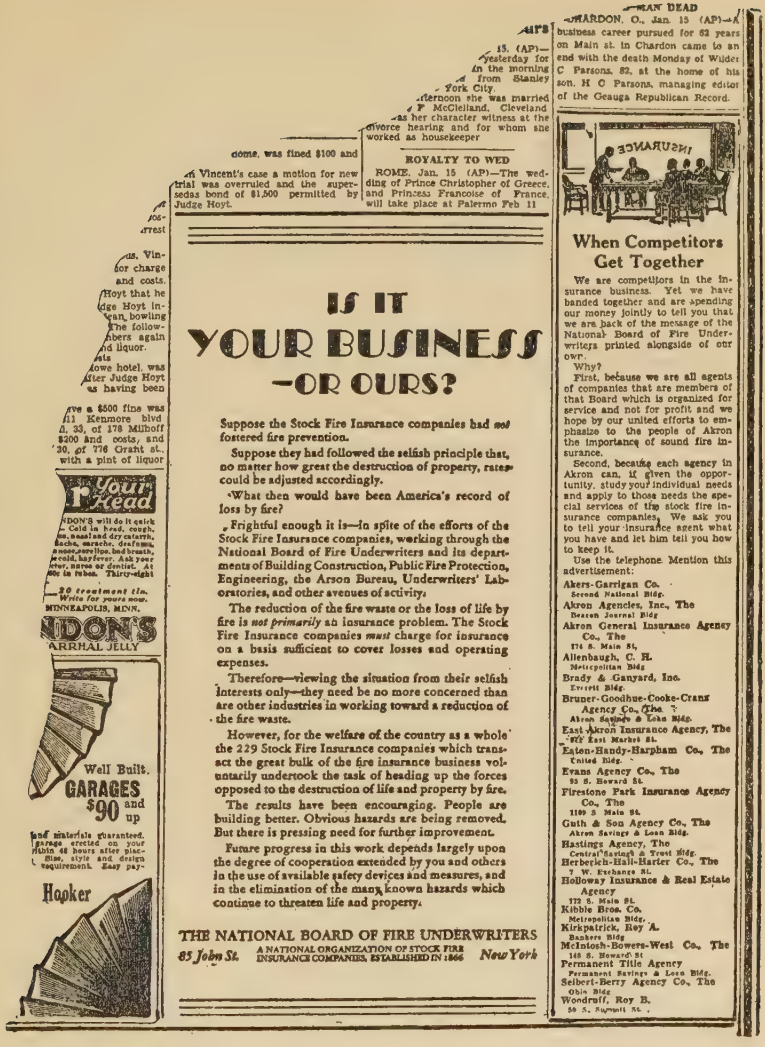

MAN DEAD
CHARDON, O., Jan. 15 (AP)—A business career pursued for 62 years on Main st. in Chardon came to an end with the death Monday of Wilder C Parsons, 82, at the home of his son, H C Parsons, managing editor of the Geauga Republican Record.
15. (AP)—
yesterday for
in the morning
from Stanley
York City.
afternoon she was married
F McClelland, Cleveland
as her character witness at the
divorce hearing and for whom she
worked as housekeeper
come, was fined $100 and
ROYALTY TO WED
ROME, Jan. 15 (AP)—The wedding of Prince Christopher of Greece, and Princess Francoise of France, will take place at Palermo Feb 11
Vincent's case a motion for new trial was overruled and the superbedas bond of $1,500 permitted by Judge Hoyt.
arrest
us. Vin-
for charge
and costs.
Hoyt that he
dge Hoyt in-
vean, bowling
The follow-
bers again
id liquor.
ete
owe hotel, was
fter Judge Hoyt
as having been
ve a $500 fine was
11 Kenmore blvd
ft, 33, of 178 Milhoff
$200 and costs, and
20, of 776 Grant st.,
with a pint of liquor
Your Head
DON'S will do it quick
Cold in head, coryz,
ss, nasal and dry catarrh,
Backs, earache, deafness,
noose, sore throat, bad breath,
ecold, hayfever. Ask your
ster, nurse or dentist. At
ore in tubes. Thirty-eight
20 treatment tin.
Write for yours now.
MINNEAPOLIS, MINN.
NDON'S
RRHAL JELLY
Well Built.
GARAGES
$90 and up
and materials guaranteed.
garage erected on your
thin 48 hours after plac-
Size, style and design
requirement. Easy pay-
Hooker
IS IT
YOUR BUSINESS
—OR OURS?
Suppose the Stock Fire Insurance companies had not fostered fire prevention.
Suppose they had followed the selfish principle that, no matter how great the destruction of property, rates could be adjusted accordingly.
What then would have been America's record of loss by fire?
Frightful enough it is—in spite of the efforts of the Stock Fire Insurance companies, working through the National Board of Fire Underwriters and its departments of Building Construction, Public Fire Protection, Engineering, the Arson Bureau, Underwriters' Laboratories, and other avenues of activity.
The reduction of the fire waste or the loss of life by fire is not primarily an insurance problem. The Stock Fire Insurance companies must charge for insurance on a basis sufficient to cover losses and operating expenses.
Therefore—viewing the situation from their selfish interests only—they need be no more concerned than are other industries in working toward a reduction of the fire waste.
However, for the welfare of the country as a whole the 229 Stock Fire Insurance companies which transact the great bulk of the fire insurance business voluntarily undertook the task of heading up the forces opposed to the destruction of life and property by fire.
The results have been encouraging. People are building better. Obvious hazards are being removed. But there is pressing need for further improvement.
Future progress in this work depends largely upon the degree of cooperation extended by you and others in the use of available safety devices and measures, and in the elimination of the many known hazards which continue to threaten life and property.
THE NATIONAL BOARD OF FIRE UNDERWRITERS
A NATIONAL ORGANIZATION OF STOCK FIRE INSURANCE COMPANIES, ESTABLISHED IN 1866
85 John St. New York
INSURANCE
When Competitors Get Together
We are competitors in the insurance business. Yet we have banded together and are spending our money jointly to tell you that we are back of the message of the National Board of Fire Underwriters printed alongside of our own.
Why?
First, because we are all agents of companies that are members of that Board which is organized for service and not for profit and we hope by our united efforts to emphasize to the people of Akron the importance of sound fire insurance.
Second, because each agency in Akron can, if given the opportunity, study your individual needs and apply to those needs the special services of the stock fire insurance companies. We ask you to tell your insurance agent what you have and let him tell you how to keep it.
Use the telephone. Mention this advertisement:
Akers-Garrigan Co.
Second National Bldg.
Akron Agencies, Inc., The
Beacon Journal Bldg
Akron General Insurance Agency Co., The
174 S. Main St.
Allenbaugh, C. H.
Metropolitan Bldg
Brady & Ganyard, Inc.
Everett Bldg.
Bruner-Goodhue-Cooke-Crane Agency Co., The
Akron Savings & Loan Bldg.
East Akron Insurance Agency, The
767 East Market St.
Eaton-Handy-Harpham Co., The
United Bldg.
Evans Agency Co., The
93 S. Howard St.
Firestone Park Insurance Agency Co., The
1109 S. Main St.
Guth & Son Agency Co., The
Akron Savings & Loan Bldg.
Hastings Agency, The
Central Savings & Trust Bldg
Herberich-Hall-Harter Co., The
7 W. Exchange St.
Holloway Insurance & Real Estate Agency
172 S. Main St.
Kibbie Bros. Co.
Metropolitan Bldg.
Kirkpatrick, Roy A.
Bankers Bldg
McIntosh-Bowers-West Co., The
146 S. Howard St
Permanent Title Agency
Permanent Savings & Loan Bldg.
Seibert-Berry Agency Co., The
Ohio Bldg
Wondruff, Roy B.
50 S. Summit St.

FIGURE 9. LOCAL AGENTS KEEP PACE WITH THE COMPANIES

As the institutional advertising of the companies through the National Board of Fire Underwriters took on momentum, groups of agents turned to cooperative advertising to tie up with it. This was the first advertisement to appear in Akron, Ohio. It was published January 15, 1929.

silent about the whole matter. So everything that was said condemned the change.

Nor was that all. A local paper, as so often happens where all the facts are not generally known, announced the change with a news story to the effect that electrical contractors were going to get rich and the local agents were reaping a harvest, unearned and unjustified, all at the expense of the poor, harassed property owners as a result of a "plot of the insurance interests" to gouge those who were helpless and in their helplessness had to foot the bills and pay the terrible premiums. The agents said the story was "simply terrible."

It was not an unusual setting. The same thing has happened before uncounted times. It will be repeated over and over again until people understand how rates or charges for insurance purposes are established—and that means it will happen every now and then for many years to come.

But the agents in the city we are discussing were in a better situation than is often the case. The foresighted members of the local Board of Fire Underwriters, anticipating something unpleasant, though they did not know just what bad luck was in store for them, had appointed a Committee on Education, giving to that Committee rather broad powers and considerable scope of authority.

Some Agents Are Afraid of Printers' Ink

So, when one of the two daily newspapers of the city opened up with its broadside against the "unjustified increase in rates," and printed a "news story" that was full of the usual mis-statements and insinuations of abuse of privilege by the insurance trust, this Committee of Education decided that if its existence was ever justified it was there and then.

What to do?

The agents thought it was time to do something—possibly some cooperative advertising. As one of them put it, they were "afraid of printers' ink, damnably afraid of the paper and what it might say." They understood, so their spokesman said, that sometimes editors read their own papers—especially the advertising in them—and in a controversy believed the side that told its story by advertising. But in this town there had never been any such thing as local agency advertising, at least not on a scale that had made any impression upon the minds of the agents. So, knowing nothing about advertising, they did the wise thing. They turned to men who did.

A friendly executive of one big company, the first man appealed to, said: "The best informed insurance advertising men are in an organization known as the 'Insurance Advertising Conference.' I'll put you in touch with that outfit." He did.

Within two days after the preliminary conference, the

Insurance Advertising Conference had taken action. The ranking member of the Committee on Public Relations of the Conference, together with a vice-president and the secretary of that helpful organization, were in consultation with the Educational Committee of that local Board of Fire Underwriters.

Curing Antagonism by Information

The outstanding thing about that experience was the manner in which the local agents took the article in the paper to heart. They could see in it nothing but evidence of the paper's malicious antagonism, and the much thumbed clipping was gingerly handed from man to man. This idea was quickly dissipated, however, when the advertising men explained that nine out of ten attacks made on industry by a local paper are conceived in ignorance of the facts; born in the traditional silence of business men when it comes to essential news of business as the doings of that business affect people and people's interests; reared in misunderstanding; fed on misinformation, where there should be frank discussion, publicity and understanding.

So it was decided that the first step in organizing for cooperative advertising in this very typical case was to lay plans for smothering the obviously biased type of misstatement that was causing the furor of criticism of insurance and insurance agents.

"But how can you smother mis-statement in a case like

this," asked one of the agents in the group. He was answered by one of the advertising men. If the answer then given was generally appreciated in all its applications and in its full significance by all local agents there would be no need for this book. The advertising man said:

"There is only one way to meet the flings of malice and mistake; of ignorance and inaccuracy; of misunderstanding and misinformation and that is by news, actual news; not tricky, manufactured press agency puffs. You are interested in successfully establishing a schedule rating system, first of all because you know it to be a good, just, fair method of measuring and establishing insurance costs; and, second, because you believe it is for the future good of the city and for the stability of your business. Therefore, the facts must be given wide circulation. Some part of the news is of greater benefit to the public than to you. That is for the news columns of the local papers. Some of this business news is of major importance to you as insurance agents. That is the stuff out of which good advertising is made. Between the news columns and advertising space you can smother any newspaper attack on this rating system best of all by telling what you know about it and how it works—how it will work out right here in this town."

The balance of the discussion at that point was not important enough to warrant space here.

It was decided that it was up to the agents to show up and prove by the facts and by the experience of other

cities that modern credit rating does not always bring an increase in insurance rates; and that under an analytical schedule a property owner can, if he will take counsel with a capable local agent, secure a very low rate by safeguarding his hazards. It was also decided that the advertising was to be a protective, defensive back-fire against the harmful propaganda that had been started.

The second step was to be the use of advertising as a constructive force to build good-will and to turn the interest aroused by the change, and the talking about it in the hum of conversation in the family circles, in offices and in club rooms, to the agents' good account.

Chaos is Always Expensive

It took some, but not a great deal, of argument to get the minds of the committeemen off the idea of a "little" advertising and to build up an acceptance of the idea that when one is facing a trying situation, calling for quick work and a prompt reaction, it was not good business to quibble over costs or dribble along with small space in advertising. If these agents were going to get anywhere they would have to pay the price. "For," said one of the advertising men, "if this advertising does cost you considerable money, chaos in your business would also be expensive. There are times in advertising when it may take a gross of tack-hammers to do a trip-hammer job."

The rate charged by the leading local paper was comparatively high, $1.12 an inch. To complicate the matter

there was a second paper published in that city that charged 58 cents an inch for space. It was estimated that it would take six months for enough properties to be re-rated and the insurance re-written at expiration to consider the change as made. On that account the advertising should continue for that length of time. Then there were other things that needed righting; such as credit abuses, and the giving of patronage to cut-rate concerns.

Starting with an estimate of a thousand inches of space in the two papers, the experts from the Insurance Advertising Conference worked out the following plan: On the basis of twenty-six weeks, running one advertisement in each paper each week there would be 38½ inches of space available for each message. Adding the rates of the two papers, gives a total of $1.70 per inch, or a weekly cost of $65.45, which divided among the sixty agents gave a cost of but $1.09 per agent per week.

All Agents Seldom Join Any Movement

But you know that sixty agents in a town and sixty agents in a cooperative advertising campaign are two different things. It is a foregone conclusion that not every agent will go into any campaign, no matter how necessary; no matter how desirable. Human nature is like that. In the city we are discussing, as elsewhere, some of the agents would have to be dropped from consideration when it came to raising the money and others would have to take up the burden where the uninterested laid it down.

But, mark you, when the cost was broken down to the basis of an agent's share per week the bill did not *seem* so big, especially to a group of men who saw the future of their business at stake. It was summed up by a member of the local committee who said: "Some of us will have to pay more than a pro rata share for those who will pay nothing. I know that any of us can go out and sell and underwrite this budget. Maybe we can raise enough more to keep it up and do some work on credits and collections when this rating matter is behind us, and out of the way as a problem."

Eventually a year's campaign was arranged, the money raised, and the advertising is running as this book goes to press.

Any Group Needs Expert Guidance

Among the stock arguments of local agents is the one that business men in other lines of endeavor are too busy with the technical problems of their various activities to expect to be expert in insurance matters and, therefore, matters of hazard, and form, and coverage should be left entirely to a local agent. You have probably used that argument many times. Yet the same agent who preaches a sermon on going to a doctor if one is sick, or to a lawyer when one is in legal difficulties, and, above all else, to a local agent for insurance protection, will hesitate about calling an experienced advertising man into the council

chamber when cooperative, or any other insurance advertising is under consideration.

It is true that every agency cannot call a member of the Insurance Advertising Conference to sit in and talk things over. Nor is it always possible, because of geographical location of the agency, to draft a company's advertising man and have him call personally to plan and scheme with your committee on ways and means. Yet it is always possible for you to get in touch by mail with some experienced advertising man employed by some insurance company to do that sort of work. Failing in that, there is always near at hand a local advertising man of training and experience. He may be running an independent advertising agency, big or little, and serving the people of a community for fees and commissions, exactly as the doctor or the lawyer does; or he may be connected with a local store or manufacturing plant.

"But," you will say, as hundreds have said before you and as thousands will say in the coming years, even in spite of this book, "the local advertising man, or advertising agent, or advertising manager of the big department store, while he is a good advertising man in his line, doesn't know anything about the insurance business."

He need not know the insurance business. I hope you will get this fact now: It is far better that the man you call in to counsel and advise you about your cooperative insurance advertising should be *a good advertising man*

than that he should be *a good insurance man.* As a local agent you know the insurance business: what you are looking for is advertising counsel. There is not an angle or a ramification of insurance that your advertising man may touch upon in his copy that you will not understand, and if he knows advertising, really knows its theory, its uses, and its working, he will surprise you with the safe, sure way in which he will apply advertising to the job you have in hand. You want somebody who can put himself into the place of the buyer of insurance, not the sellers', and by sifting your sales arguments, your ideas of the benefits insurance confers, dig out the points that will mean something to the man with property who must buy the protection you have for sale. The biggest job of all is to find something in your story that can be made interesting and vital; something that can be dramatized, so that when you follow up the advertising with your personal solicitation you will get a hearing, and the story you tell will carry conviction to your prospects.

Organizing to do a Specific Job

One of the criticisms directed at the business of the present day is that it is burdened with organizations and committees. This is neither the time nor the place to argue that point. However, some organization is necessary to work up and carry on any kind of cooperative advertising by insurance agents. The ideal would be to line up every agent in the town. Failing in that it is well to

get as many of the agents assembled at a preliminary meeting as possible. At this meeting all should be encouraged to talk freely, for while some of the agents will throw cold water on any idea that contemplates the use of advertising, if the general sentiment expressed by the majority is for it, it will do no great harm to have the objectors state their points openly and freely. When all the agents have voiced their views, and everybody with an urge to speak has had his chance, the group that is to do the advertising should be ascertained, perhaps by a show of hands.

Turning to memory, not for exact details of any one campaign, but for composite impressions of many, the steps usually taken in organizing a group to do cooperative advertising may be set down as follows:

First: Some progressive agent usually starts the consideration and the discussion of the plan. In this it is no different from other movements, for nearly all suggestions for bettering conditions usually start as a result of the thinking and activity of some individual. Then follows a meeting of the men who compose the group, under the auspices of the local Insurance Club or the Local Board, at which the matter is discussed quite fully and a decision reached either to go ahead or to drop the whole matter.

Second: The organization of the group to include every agent at all likely to be interested in the proposition. It is well to list the doubtful ones as "for" until each

man has definitely and decidedly declined. If it is a Local Board affair, to be conducted in the name and under the auspices of the Board, of course the entire membership is to be considered as in the campaign. If, on the other hand, it is an individual affair, the leaders who are known to be active in the group may make up the list of prospective advertisers.

Third: The appointment of an Advertising Committee, preferably a small committee of three or five of the most active agents. You will find that this is the important part of the work of organizing. It is vital that willing, active workers be put on the Advertising Committee. If there are local agents in the group who have had extensive advertising experience they should be put on the committee, unless, as sometimes happens, these men are prejudiced in favor of a certain sort of advertising to the extent that they cannot see any good in any other kind.

Fourth: The next step is to develop and set down in writing an outline of what the advertising is supposed to accomplish. The importance of so doing has been more often impressed by the lack of such an outline, than by one, it is true. Past experience demonstrates its importance. It is the orderly way to proceed. Advertising without purpose, or just because somebody else is advertising, or because some other group in some other city is making good with its cooperative advertising campaign, is too much like giving to charity to beat the income tax collector. It gets rid of money—that is about all.

Of course the primary objective of all cooperative advertising is to better the situation of the individuals composing the group that is doing it; in this case the local agents whose names are signed to the messages. Usually, however, in addition to the general good sought, you will find that there is some specific benefit that is desired. Most generally it is called "creating a favorable public opinion of insurance and the local agents who sell insurance," and that is well worth while. But in creating a favorable public opinion there may be specific ills to cure, as well as the general education the people will get while their minds are being made receptive to your personal arguments. You may have credit abuses to correct; the habit of carrying so little insurance that as a general thing property owners are dangerously under-insured; an excessive fire loss that is hurting agents in their standing with the companies; or a new rating system to justify—a hundred and one things that are annoying and worrying you and other local agents. Whatever the objects and the purposes of the advertising, the purport of it should be agreed upon by all the members of the group. The outline should be definitely phrased and set down in black on white for the guidance of the committee and the man into whose hands the job of writing the copy is to fall.

Fifth: The Advertising Committee and the advertising man brought in as counsel and helper have the hardest part of the whole campaign to work out. That is the decision of how best to go about reaching the objectives that

have been set for the advertising. It should be put up to that Committee to decide whether the drive for the desired goal should be made by newspaper advertising; billboards or poster advertising; direct mail, including letters; or moving picture advertising.

Sixth: The final problem in connection with the planning of it is the duration of the campaign, or the term for which provision is to be made in the financing.

How Often Should Advertising Appear

Out of the thousands of questions asked by local agents there is one that crops forth nearly every time a campaign is considered. In substance it is this: Are there definite, tangible rules which govern the expenditure of an advertising appropriation as to space, season and repetition of the messages? To get the broadest possible experience back of the answer, reference is made to a folder covering this identical subject, issued by Lord & Thomas and Logan, of New York, Los Angeles, Washington, San Francisco and London, one of America's largest advertising agencies. The agency said:

> There are rules that are simple and direct, with frequency of insertion as the important factor. Rules, of course, that vary according to the nature of a product and its competition.
>
> For small price products, of daily purchase, such as cigarettes, toothpastes, soaps, proprietaries, etc., the ideal frequency in newspapers would be daily. For newspapers live but one day.
>
> Every day so many hundreds or thousands of people in every

community buy dentifrices, for instance. The advertiser who hits them that day enjoys a major advantage over his competition.

For utility products, pianos, automobiles—purchases requiring a family council—less frequent insertions are in order. But those insertions must be at regular intervals throughout the whole year.

This because there is no advertising "season." Any product advertised should be advertised the year around. Exceptions like electric fans, Palm Beach suits, etc., are merely exceptions that prove the rule.

In major purchases, buyers form their mental preferences usually long before actually purchasing. The automobile ad read today, tomorrow and next week will reflect itself months from now.

And so too with musical instruments, radios, washing machines, building materials and other products requiring an important outlay of cash.

Thus successful advertisers in proprietary fields advertise as frequently as their resources enable them. And successful advertisers, in the major cost products field, advertise in advance of, as well as during, their big selling seasons.

Summer advertising, once discounted, now is largely used. And often, largely because of the general falling off of department store and other advertising, which allows a greater opportunity for attention value, it is even more profitable than in other seasons.

Expenditures planned on common sense principles of selling are largely planned on the foregoing basis. On Frequency of Insertion of small things, Constancy of Insertion, regardless of season or condition, on big things.

In the Hum of Daily Talk

To the above set of rules there should be added: If you are advertising because you are on the defensive, every effort should be made by sheer size, frequency and force

of the advertising you do to carry the fight to the camp of the enemy, no matter who that enemy may be. There is one sure way to save money in such a situation and that is to force the issue and take the dominating place and win the fight as quickly as possible.

Then, too, it is good advertising to make sure that you will have a hearing when insurance comes up in the hum of daily talk. If the town is stirred up and talking about insurance and insurance agents, see to it that your side of the story is known and talked about. In times of stress and trouble, be sure that there is no chance of misstatement and surmise because of a lack of facts to discuss.

Form of Pledge for Financing Advertising

Insurance agents are used to binding contracts. It may be because of this that so many of them, when it comes to working out the details of a cooperative campaign, have asked for a contract, or form of pledge, to be signed by those undertaking the financial support of a campaign. The following form may be useful as an outline, although more often than not it is quite possible that it will have to be amended to fit the needs of the group considering it.

Pledge for Cooperative Advertising

Whereas, the undersigned members of the Somewhere, State, Board of Insurance Underwriters (herein referred to as the Board) are about to engage in a Cooperative Advertising Campaign with the view of improving the

status of the business of the various signers, and the improvement of the public relations of local agents generally:

Now, therefore, to induce said Board, and the individual members thereof, to undertake and to continue such campaign, and based upon the promises of the Board to apply to the purpose of the aforesaid campaign the sums paid upon this subscription, which by the acceptance hereof it promises to do, the undersigned hereby subscribes and agrees to contribute and pay to Richard Roe, the agent of the Board, at his office, the following sums, viz.:

Beginning July 1, 1929, the amount set opposite our respective names, and a like amount on the first of each succeeding month for twelve months. Privilege requested and granted to anticipate any or all payments.

This obligation is assumed in consideration of mutual promises and agreements separately made by others engaged in the business as agents for insurance companies.

Dated:

THE SOMEWHERE, STATE, BOARD OF INSURANCE UNDERWRITERS
and
The Undersigned Individuals
and Agencies.

Name of Agency	Monthly Payment	Total Years' Contribution

How to Cut an Advertising Budget

Sometimes the objective sought, and the plans made for reaching that objective, call for more of an investment in advertising than there is any possibility of the groups being able to make. In business it is often necessary for you to realize that there are certain definite bounds to expenditures beyond which it would be dangerous to go, even for advertising. How, then, can an advertising plan be altered to meet financial limitations?

It cannot be cheapened and succeed. The most grievous error that can be made in advertising is to trim and scrimp the display or cheapen the character of what advertising you do. It is far better to scrap a plan entirely, if it cannot be adequately financed, than to reduce space in publication advertising to a unit so small that it will not be conspicuous, or to eliminate the necessary elements of illustration, or display, or good copy. Likewise, in direct mail advertising it is easily possible to put out letters or other forms of messages so cheaply and poorly made up that they lose all business building qualities and become a deterrent, rather than a help to the purpose of the advertiser.

If it is necessary to reduce an advertising plan, because of lack of funds, reduce its scope; cut out some part of it entirely; forego the attainment of some object; cut the amount of material used; but do not injure the quality nor the time over which the advertising is to be run. At

the cost of almost any other element keep the advertising efforts sustained long enough for it to have effect.

The length of time an advertising campaign should be carried on depends upon many things; especially the object sought. You will find that more advertising by local agents has failed because it was stopped too soon than from any other cause. But no hard and fast rule can be stated. It is like the question of the right length for a man's legs, settled by Lincoln when he said they should at least reach from the body to the ground. Some wise advertising man has paraphrased Lincoln's wisdom and said that advertising should be carried on long enough to reach the notice of the public to whom it is addressed, and to build up an acceptance of the idea being advertised.

Who Pays for Cooperative Advertising

Soon or late somebody will ask you " Who is going to pay for this cooperative advertising?" The answer depends upon the kind of advertising done; the purpose for which it is to be done; the duration of the campaign; the skill with which it is conceived and carried out; and the success attained.

This much may be said: If the advertising is well done so that it increases your efficiency as well as that of all the agents underwriting the campaign, and so that it makes it easier for all of you to carry on your business of seeing prospects, explaining the coverages those prospects need, and getting definite orders for insurance, it

will pay for itself. It is a certain fact that the people who pay insurance premiums in any town will not have to pay for it, for no increase in rates can be made to provide the budget for the advertising fund.

Properly used advertising holds the same place in the sale of insurance that a typewriter or adding machine occupies. It is a tool used in salesmanship; a force that multiplies the personality of the agent; a means of reaching people and preparing the way for personal interviews, and by serving such purposes it effects an economy and is, therefore, analogous to any modern equipment.

There are many ways in which cooperative advertising operates as a machine, or tool, and by increasing the effectiveness of a local agent lessens his selling costs. New lines, or kinds of insurance can, without doubt, be introduced to the property owners of a community quicker and easier by advertising than by any other method so far developed. Especially is this true of newspaper advertising, for the newspaper will carry the story of the benefits of the new coverage to those who are its logical purchasers, and, in addition to introducing and arousing an interest in the subject of the new policy, will enable you to tell your story quicker, as well as with greater conviction, than would have been the case without the advertising. This obviously tends to lower your costs of selling, making the advertising pay for itself.

The situation, as regards those agents who are identified with a cooperative advertising movement, can quite

properly be compared to the introduction of labor-saving machinery in an industry. A manufacturer who does not use up-to-date equipment soon finds his costs higher than his more progressive competitor, and he must change or be eliminated from the field. As the new kind of insurance becomes commonly known and understood, the advantage of the agent who was identified with its introduction is lessened somewhat as the business settles down on more of an individual competitive basis—but you know that the man who first gets a line of insurance on his register, stands a fair chance of holding it. In the meanwhile the non-advertising agent has suffered in prestige and patronage. It may well be said that if anybody "pays for the advertising" it will be the agent who does not join and who does not advertise.

CHAPTER VIII

COPY AND DISPLAY SUGGESTIONS FOR USE IN COOPERATIVE ADVERTISING BY INSURANCE AGENTS

IN advertising, Richard Roe, the man who sells groceries and meats, tells his story. William Sales, the merchant, tells his. You, the local insurance agent, tell yours. The man with money to spend reads what attracts his attention. It is he who decides who gets his money when he spends it.

It is the job of advertising display to attract the reader's attention. It is the task of copy to tell that reader something interesting, something that will create in that reader's mind a disposition to spend money with you. It is with copy that you do your wholesale soliciting, your good-will building, your mass selling.

When a salesman has sold you space in the local paper, and then asks, "Where is the copy?" he has in mind all the material that is to be the published message; more than just the words of it. An advertisement may be all text—words—or it may be almost all display—picture—or a combination of both text and display arranged in practically limitless forms. It is copy in its broadest sense

that you depend upon to give the general impression, to convey the idea you, the advertiser, want the people to have about you and your business.

Important as copy is, good advertising does not start with it. Copy is but the expression of the big idea back of all the advertising, and it is especially necessary in insurance advertising, when done by a group of agents, to fix upon this big idea, the point in your favor that can be made into an appeal that will bring from owners of insurable property a decision to call upon you, or to call you in that they may buy insurance, and failing in this, the ultimate in advertising, to prepare the way so that when you call upon that property owner in the regular course of your business, his mind will be prepared, to some degree, to receive and act upon your suggestions for insurance.

Copywriting is a Profession in Itself

Scores of text books, devoted solely to copywriting, have come from the pens of men who have spent years at that work, and even so you will find there are no hard and fast rules for result-producing copy. Judging copy is largely a matter of opinion and it seems that everybody has an opinion.

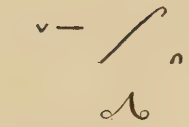
This book is not intended to be a text book on copy, for it is assumed that any group of agents about to undertake a campaign of cooperative advertising will realize

that it is rare indeed that a man can be a successful insurance salesman and a trained advertising writer at the same time. Therefore, only enough of the technique of copywriting will be given to enable you to enjoy more than average success in your work with an advertising expert in the production of advertising for yourself and a group of your fellow agents.

Insurance Needs Interpreters

Insurance has a wonderful story to tell. It must have, otherwise it would never have attained its present magnitude by the word-of-mouth selling of its representatives. Its need, in the matter of advertising copy and display, is for interpreters—men who can take its technical jargon of rates and risks, cover and exclusions, term and application, insurable interest and promised indemnity, and state these things so that the ordinary man, the man of the street, as he is frequently called, will be able to understand you, appreciate the service you offer and know exactly where insurance comes into his life to provide the life blood of his business.

The story is there: it needs dramatizing. It is by good copy that the obscure is made plain; the prosaic endowed with interest; the technical explained. This can be done in many ways, but the first fundamental of advertising copy is that it must be understood.



A complete advertisement, IF you can read the symbols.

The little sketch at the left is an advertisement, although it delivers no message to you because you do not understand the symbols in which that message is presented. Yet to a stenographer who writes Pitman shorthand it would be plain and understandable. It says: "I can render you a service."

Messages conveyed by old Indian signs.

The first tree message means "Peace." The other one, "This path not to be followed."

The little pile of stones says that a party camped there because one of them was sick.

The sketches of the marks in the bark of a tree and the stones piled beside the trail are further illustrations of the need of a commonly understood set of symbols to convey a message. To the woodsman the different sets of cuts in the trees convey certain definite bits of information about the people and the trails through the forest. The pile of stone tells a bit of news to the plainsman. So it is in a business inclined to be technical, and what business is not! We of the insurance business know its guiding principles; the reason for some of the rules of underwriting, and the vernacular in which we talk of the business among ourselves; but these things and this lingo mean no more to millions of people than would the notches on the trees or the stones piled along the lonely trails.

What about the advertiser? He has at his command a language not only capable of conveying his thoughts and ideas, but, if skillfully used, able to carry conviction and enthusiasm. In addition to all that, when handled with truth and fairness, the copywriter's language is capable of leading people, by suggestion, into doing what the advertiser wishes them to do.

Classifying Advertising by Its Form

In all the books on copywriting no two experts fully agree on the classification of advertising by its form. Any such classification must be more or less arbitrarily made to fit the purpose of the study of advertising. The list

made by S. Roland Hall, a writer of authority, will serve the present purpose and not add to the confusion. That classification is as follows:

"Announcement" or "Card" copy, in which simple statements are made without any argument being elaborated from the facts. These are sometimes very formal, as in the case of the concise, hand-lettered advertisements of Tiffany & Company.

"Argumentative" or "Reason Why" copy, consisting largely or wholly of interesting and logical arguments in behalf of the service or commodity.

"Narrative" or "Fiction" copy, in which the message is framed in the form of an episode or story.

"Dialogue" copy, a variation of the narrative. Here the language is conversational and several people are quoted.

"Sentimental" or "Emotional" copy, in which the message is perhaps not so logical but aims at the heart rather than the mind.

"Testimonial" copy, in which the point or points are embodied in a letter, or in a quoted conversation of some one—usually a well known user of the advertised goods or an observer whose views will be respected.

"Colloquial" or "Personal" copy, which closely resembles oral conversation, the advertiser using the personal pronouns freely and addressing himself very directly to his audience.

"News" copy, which takes as a starting point something of current news value.

"Humorous" copy, which seeks to convey a message through entertainment.

"Poster" copy, which derives its name from the typographical presentation of the message in a few brief sentences, or perhaps in a few words.

"Service" copy, which consists solely, or largely, of serviceable information about the use of the advertised product rather than of mere argument for its excellence.

Classification of Copy by Its Purpose

You will probably find the foregoing classification more helpful in studying advertising that has appeared than in planning for a new campaign. When the problem is to interpret your story to the people of your community, and the selection of a kind of advertising best calculated to give that message the proper background and setting, it is often more helpful to classify the kinds of advertising by purpose rather than by form.

Therefore, the main divisions, or classes, of advertising according to purpose are: First, "informing" copy, which tells some fact or presents some argument; and second, "reminding" copy, which refreshes the reader's memory of some fact previously generally made known, or which reminds people of a previously presented argument.

Dramatizing Insurance Copy

You will also find that there is a great difference between writing a play and writing dramatic advertising copy. In play-writing the characters come bodied forth upon the stage, there to act their parts and speak their lines. In dramatizing insurance advertising copy, the action takes place in the reader's imagination, and the word pictures, while interesting as printed messages, put over the importance of the service advertised by com-

paring it, in its application and its action, with those things the reader already knows and appreciates.

The insurance agent is as essential to the welfare of your community as the doctor who guards its health or the policeman who patrols its streets. . . .

That is the opening statement of a bit of copy that has proven very effective under the test of actual use. Here, by the picture brought up in the reader's mind, the agent, as one of a group of business men performing a specialized service, is definitely placed. The reader's question naturally would be: "Is that so? What does an insurance agent do?" So the copy goes on:

Through the organization he represents, he makes it possible for business to function on a large scale—makes it safe to ship valuable merchandise by rail or sea—to finance stores or factories —to build fine homes—to collect fine works of art.

And having answered the reader's question, the copy takes that additional step that is so essential to good advertising. It suggests a reaction on the part of the reader. It suggests that the reader do something that the advertiser wants him, and all others like him, to do—call and talk over his insurance needs, for it says:

Your insurance agent deserves your confidence. Consult him as you would consult your doctor or lawyer.

One telling argument, used by agents everywhere in the sale of insurance, is the fact that a bank will not

loan money on property unless that property is covered by insurance. But unless the point is tactfully made by the agent it builds a resistance: property owners insure, if at all, because they are compelled to do so, not because they wish to do so, and that, you know, is not a good way to build good-will and create a desire for the peace of mind you are supposed to sell. But dramatize the situation. Personify fire, for a moment, and see the possibility for painting mind-pictures that argue for insurance and the insurance agent. For instance:

> The reach of fire is great. No structure, whether it is built of flimsy wood or sturdy concrete, is beyond it. No building yet devised is fire-proof. Some materials merely *resist* fire longer than others.
>
> No wonder then that the banker demands that perishable property be insured before he advances a loan upon it. He recognizes the fact that every piece of such property is a potential fire—a mere heap of combustible materials that only awaits a moment's carelessness to spring into flame.
>
> A $20,000 house uninsured, in the mind of the banker, is merely a house—something that is standing today but that may be a smoking ruin tomorrow. The same house insured represents $20,000 today, tomorrow and all the time.

Suppose, for the purpose of illustrating these thoughts on copy, that it is desirable in the opinion of a group of agents, or the copy committee handling the details for a group of agents, to put over with the people of a community an idea in favor of paying in advance for insurance, as the business is conducted by the old line stock

fire insurance companies, as opposed to a hat-passing method of raising money by assessment, as is done in some mutuals. Even that idea you can dramatize in advertising copy, by something like the following:

The principle upon which our present system of insurance is based is older than the Christian era and as enduring as the sphinx and the pyramids.

The ancient Assyrians recognized the necessity for insurance twenty-five hundred years ago, but they lived under an agreement that the sufferer from fire would be indemnified by a fund to which everyone in the community would subscribe *after* a fire occurred.

Today this method of "chipping in" has been placed on a much more business-like basis and stock fire insurance companies assume your risk at a small annual cost to you. These great organizations are so carefully financed that even serious conflagrations do not prevent the fulfillment of their promises.

That is about all there is to dramatizing copy. It does not mean advertising that struts and rants or utters a soliloquy. It simply means advertising that paints pictures in somebody's mind, and leads to some action.

Convicting People of Carelessness

Some years ago the president of a large fire insurance company, in speaking before a gathering of insurance men, used a phrase that describes another type, or kind, of insurance copy. He said: "It is a hard job to *convict* people of carelessness with fire. . . ." "Convict" is the exact word. It covers the steps: the charge of careless-

ness; the evidence of carelessness; the proof of responsibility for fire; the building of a sentiment against the one whose act, either of commission or of omission, caused loss by fire, and finally the establishment of the guilt, the placing of the stigma of being an undesirable citizen of the community where it belongs.

Alone you might not dare—and "dare" is the word—undertake the job of convicting the careless ones in a neighborhood of their carelessness with fire. But a job that would be audacious for you or for any single agent may become a desirable reform movement when backed by all the agents of a town, acting as a group. That is the history of the conception and carrying out of many reforms.

The Board of Fire Underwriters of the Pacific published such an advertisement in the San Francisco *Examiner* on January 3, 1927. It is a warning to the careless of what they may expect under the California Code. The text of that advertisement was as follows:

TREBLE DAMAGES

If your neighbor, through his fault, allows a fire starting on his premises to burn your property, there is no more reason why you should suffer without recompense than there would be if he had done the damage by reckless driving of his automobile.

Wherever carelessness causes damage, the law exacts responsibility for negligence. Drivers of automobiles, employers of labor, and transportation companies frequently are penalized for their careless acts, because this is the policy of the law.

For your sake,

this house is refused insurance

Dilapidated buildings or buildings in bad repair are refused insurance. Why?

Because the fire risk is so great it would impose an extra heavy burden upon those who buy insurance for ordinary risks. Such refusal is in line with all good insurance practice. Everything possible is done to hold down losses and expenses to a minimum—to save every possible cent for the people who pay the premiums.

When you buy stock fire insurance, you do so with the assurance that you are not being penalized for the shortcomings of someone else.

The cheapest way to buy insurance is to take every means to prevent fire first. To that end, an inspection of your premises by any of the undersigned agents will be of exceptional help.

This advertisement published by the following Agencies of old line stock insurance companies:

ALLEN, RUSSELL & ALLEN
50 Lewis Street

CHASE, MORRISON & CO., INC.
125 Trumbull Street

H. W. CONKLIN & CO.
9 Central Row

THE FARRELL & McKONE CO.
647 Main Street

THE T. D. FAULKNER CO.
18 Asylum Street

THE GEORGE H. FISHER CO.
18 Asylum Street

HERBERT F. FISHER
983 Main Street

JOHN F. GAFFEY, INC.
76 Pratt Street

HORACE S. HOWE
511 Main Street

JOHN A. INGERSOLL
Aetna Life Ins. Building

ROBERT C. KNOX
114 Pearl Street

McMANUS & KENNEDY
49 Pearl Street

THE CHAS. MERRIMAN AGENCY
750 Main Street

W. R. PENROSE & CO.
36 Pearl Street

W. A. SANBORN
36 Pearl Street

F. F. SMALL & CO.
96 Pearl Street

STARKWEATHER & SMITH, INC.
36 Pearl Street

WAKEFIELD, MORLEY & CO.
197 Asylum Street

WEBSTER & CO.
721 Main Street

FRED H. WILLIAMS, JR.
125 Trumbull Street

FIGURE 10. COPY THAT CONVICTS PEOPLE OF CARELESSNESS WITH FIRE

The idea of using an obvious fire-trap to point a moral is one way in which a group of agents can use their local advertising to bring out in a personal way the responsibility for fire losses.

In the United States the greater part of the fire damage is caused by carelessness. In such cases it is altogether in harmony with our ideals of justice to exact damages from those responsible.

Many states hold that under the common law a person is liable for damages to his neighbor's property resulting from a fire communicating from his own premises, whether the damage is caused by his negligence or that of his servants.

Some states have added statutory provisions to this common law principle. In California two sections of the Code provide that "every person . . . negligently suffering any fire to extend beyond his own land is liable to *treble damages* to the party injured."

Recognizing that the great number of needless fires add much to the cost of fire departments, thus increasing taxes, the National Convention of Insurance Commissioners has recommended "state or municipal legislation designed to assess upon individuals, firms or corporations the cost of extinguishing or attempting to extinguish all fires occurring in the premises of the same, whenever such fires are the result of failure to comply with any law, ordinance, regulation or requirement of any State or municipal authority.

This recommendation of the Insurance Commissioners of the various states deserves the support of public-spirited people everywhere.

There is another way to convict one of the evil of one's ways. Let it be known that these shortcomings are recorded and anybody with a vestige of common sense will realize the importance of keeping off the record of undesirables. So a group of agents pictures a big set of record files and a recording angel ready to make any needful entry, with headline and copy as follows:

A RECORDING ANGEL OF MISDEEDS

Do you know that the big insurance companies have very complete files covering every "shady character" in the country? Do you know that records of crimes, of business failures, of failure to pay honest bills are all recorded in these files?

If the insurance companies were not careful to learn about and exclude "bad moral risks," their losses and consequently your premiums would be much higher.

Fire insurance, therefore, may in a measure be considered as character insurance. No person with a bad record is ever insured.

But these agents did not depend upon the hidden attributes of a personal nature alone. There was another method of reaching the man who was careless with fire dangers. That way was through his property, especially if the property he owned was conspicuously a fire menace. So the dilapidated, ill-kept, tumble-down house, the fire-trap shown in the accompanying illustration, was used "to point a moral and adorn a tale," for the copy said:

FOR YOUR SAKE, THIS HOUSE IS REFUSED INSURANCE

Dilapidated buildings or buildings in bad repair are refused insurance. Why?

Because the fire risk is so great it would impose an extra heavy burden upon those who buy insurance for ordinary risks. Such refusal is in line with all good insurance practice. Everything possible is done to hold down losses and expenses to a minimum, to save every possible cent for the people who pay the premiums.

When you buy stock fire insurance, you do so with the assurance that you are not being penalized for the shortcomings of someone else.

Writing Copy With Teeth

Cooperative advertising is often used by local agents to create public sentiment against such things as carelessness with fire, or a disposition to abuse credit rules, or any one of a number of other bad business habits. Fire insurance is vastly different from commodities in this: if the companies are called upon to deliver too much indemnity there is a decided tightening of the market. If a city, on the other hand, uses its automobiles up faster than the average, it would probably be an active market for motor cars. If shoes lasted only half as long in that city as in the average city, the shoe trade would flourish. But not so with insurance. If the losses mount too fast, the market tightens. A city can become so "hot" that it is difficult for agents to get companies to carry the liability.

When so confronted with a mounting fire loss record, local agents have turned to advertising to change public sentiment so that instead of considering a man who has had a fire a lucky individual, he may be clothed in his proper character. He becomes an undesirable citizen. Copy with teeth is needed for such a job.

There is a set of advertisements available to you, through the cooperation of the National Board of Fire

If every fire brought a trial—

Then a fire for which no one was to blame could be justly called a misfortune—

And a fire that was the direct result of someone's carelessness would result in a suitable penalty.

Then perhaps the number of fires caused by carelessness would decrease. It is time that something drastic be done about it. Directly and indirectly we are paying more for fire than for our war debt—paying for fighting fire, fire protection, insurance, higher merchandise prices, interrupted production.

Help us stop it.

The sort of insurance we sell—insurance in the strong, old-line, stock fire insurance companies gives complete protection against financial loss from fire. But we aim still higher—the prevention of fire. Hence these advertisements.

Published in the interests of Fire Prevention by the following agents of the old-line stock fire insurance companies:

BOUDEMAN'S INSURANCE EXCHANGE
150 South Burdick St.
W. J. BURDICK,
Press Bldg., West South St.
R. W. & W. H. DE YOE AGENCY,
805 Hanselman Bldg.
J. D. DRIVER,
800 Kalamazoo National Bank Bldg.
THE GARRETT AGENCY,
100 South Burdick St.
HINCKLEY & CORNELL,
406 Hanselman Bldg.
OLMSTED & MULHALL, D. S. BLOOM, Mgrs.
106-13 Hanselman Bldg.
W. H. PENDLETON,
127 South Burdick St.
E. S. RANKIN AGENCY,
202-4 Kalamazoo National Bank Bldg.
WICKS INSURANCE AGENCY,
106 West Main Street.

Members of the Underwriters' Club of Kalamazoo.

FIGURE 11. ONE WAY OF PUTTING TEETH INTO ADVERTISING COPY

Underwriters. That copy has teeth. One piece, captioned "Blackballed," shows as its illustration the typical lodge ballot box, with its white and black balls, and says:

> At your club or lodge you blackball "undesirables."
>
> Has it ever occurred to you that the men and women who are careless about fire are undesirable? They are public enemies.
>
> Carelessness causes most of our fires—if public disapproval were to descend upon carelessness as it now descends on crime, two-thirds of our fires would never start.

In small type, as a panel at one side, appears the suggestion to "see the agents." This is worded as follows:

> We are at your service to insure you in the right kind of company and to aid you in preventing fire. If you need any form of insurance protection call on us at once.

The statement that the advertisement was "published in the interests of fire prevention by the following agents of the old line stock fire insurance companies," and the names of the local agents paying for the space completed the advertisement.

Another advertisement in the series intimates that dire results might follow a reputation of being careless with fire, for one such person is pictured attempting to register at a leading hotel where he is told: "Sorry, we cannot accommodate a man whose carelessness started a fire." This copy went on to say:

When the insurance company pays the loss, the property owner usually forgets what caused the fire.

But suppose it should be otherwise. Suppose social ostracism were the penalty for fire carelessness. Suppose the man whose carelessness starts a fire were refused accommodations at good hotels, deserted by his friends, treated in general like a public enemy, as in truth he is.

How long do you suppose it would be before our appalling annual fire loss would assume more reasonable proportions? America's fire loss is her greatest shame. As a nation we must adopt a less cavalier attitude toward it. Somehow we must punish and abolish carelessness.

One thing a good copywriter will do for you is to follow a theme of advertising until the idea back of that advertising has been put over. The banker was next shown as the basis of another advertisement of the series with teeth. He is pictured in the illustration turning down an applicant for a loan. This copy says:

When a man has a fire that is directly traceable to carelessness, when he indulges in careless habits or maintains unusual fire hazards on his premises, he should not be encouraged. He is a bad citizen, and a bad risk for insurance or even for commercial credit.

Our customers are paying not alone for their own fire hazards but for the carelessness of others, for insurance rates necessarily are based on losses. In their interest we are trying through this advertisement to arouse public antipathy against a public menace . . . a type of carelessness that costs the nation millions of dollars.

The series goes on until it comes to one that is a suggestion to raid the fire traps because "they are every bit

as dangerous spots in a community as gambling halls and resorts. Not only are they a menace to the lives and goods of those who live and work in them, but their very existence is a menace to the entire city."

Copy With Teeth Must Not Scold

Writing copy "with teeth" in it is dangerous business for an amateur. Such copy needs back of it an important public good. It must not offend those who are doing the right thing in the community. Neither will you do any good simply to sit back and scold about something you do not like. You cannot drive patronage to your door by abusing your prospects. But if you lead a fight with an undesirable element you may, if you are careful and have the counsel and help of an experienced copy man, attract the favorable attention of desirable customers.

Cooperating to Meet an Emergency

One does not have to be in the insurance business long to learn that there is more than a modicum of truth in the statement that it takes adversity to bring together the diverging groups that make up the world of insurance. Sometimes the agents of a town suddenly come to the realization that they are in a situation where they must get over a message about their joint business, or make an announcement to the public with the least possible delay: A new rule of a local board: a change of

rate: anything that calls for a united front before the property owners. Sometimes these notices are signed by the agents as individuals. Often they go out in the name of a board or local agents' association.

As a usual thing you will find that when a group of local agents sit down around a council table to write the copy of an advertisement that is supposed to meet some emergency, the output takes the form of a plain, blunt statement of the facts as those agents see them.

For instance: A New England city met the trouble and trials incidental to the switch from a long period of rating by a comparatively simple schedule to a more scientific system by a series of big displays, and the wording of the first was as follows:

These Men Know

The fire insurance agent is the advance scout of the forces fighting against fire. He knows the loopholes through which fire attacks. He knows what protection is needed to shield the individual from all angles.

When insurance rates are changed for any reason, he knows how such changes affect the individual . . . and more important, he knows *why*. It is his job to take the insurance protection provided by the insurance companies and apply it with intelligence to the need of the man who buys it. And he can tell you more in ten minutes about the scientific reasons for rating than you could learn in hours of reading. More . . . his information is exact . . . accurate . . . based upon the property you own.

The insurance agent is *your* safeguard . . . your contact with the vitally necessary protection of insurance. He is as essential to you as the grocer . . . the coal man . . . the druggist.

The business man who may wonder why changes in insurance

rates are made can spend a little time with good advantage . . . asking his fire insurance agent for the answer to the troublesome questions.

This advertisement is the first of a series to be published in the interest of better public understanding of insurance by the following members . . .

An institutional advertising campaign conducted by the Napa County (California) Association of Insurance Agents in various towns proved a success, according to a former president of that association. "Do not buy insurance from a stranger" was the burden of a series of advertisements aimed at a crew of wandering solicitors who disturbed a great volume of automobile insurance, replacing it in a company with an automobile club service thrown in as largess. It was reported at the time that the advertising by the stock company agents made it increasingly difficult for the strange solicitors to "do their stuff" and finally they all left the territory.

Back in 1917, as a result of the war, the great American dollar began to shrink in its purchasing power. Property owners who suffered loss by fire, found, when their loss has been adjusted and the claim paid in full accord with the policy, that they were worth but half of what they had thought the day before the fire.

The Chicago Board of Underwriters cooperated to meet the emergency by a series of advertisements directed to the matter of under-insurance. This situation, a product of war conditions, may never have to be met again, but

WHAT YOU OWN
Is Under-Insured Against Fire

Unless you have increased your fire insurance to cover the present high cost of your property

—$1.50 to $2.50 now buys no more than $1.00 did in 1914.

—To replace your furniture—your rugs—carpets—textiles, you would pay many times more than what they cost.

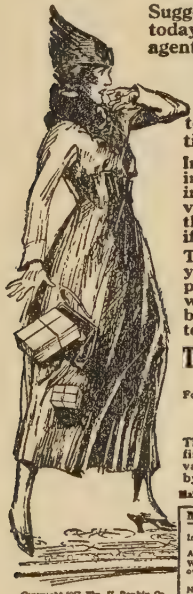
—Your home, your buildings, have advanced in replacement value.

—Machinery is now higher in cost.

—Fixtures have gone up.

—Merchandise has increased in worth.

You Are Worth More, But Are Less Protected



Suggestion: Get out your fire insurance policies today, and write or telephone your insurance agent for information that will surely benefit you.

Don't gamble against fire. Over 40 times today Chicago's fire engines will madly "clang! clang!" down the streets in answer to alarms. Over 40 times tomorrow, over 40 times the next day—and every day.

Insure on 1917 valuations. Don't wait until your insurance expires. The risk is too great. Fire insurance companies will pay you "the actual cash value at the time when such loss shall happen"—the then existing market for replacement value—if you will properly insure.

Telephone, call upon, write or mail the coupon to your insurance agent—now! His address is on your policy. Hundreds of those who today read this paper will suffer by fire sooner or later. You stand no better chance than the next person. Properly protect yourself at once.

THE CHICAGO BOARD OF UNDERWRITERS
OF CHICAGO

Founded 1856. Incorporated 1861 by Special Act of Illinois Legislature.

21st Floor Insurance Exchange Building
Telephone: Wabash 4151

The Board does not recommend excessive fire insurance or insurance on present day values on property that has depreciated by reason of age or wear and tear.

Mail This Coupon to Your Insurance Agent Today

Meet Your Insurance Agent Half Way

Insurance Agent .....

Address .....

Without obligation to increase my fire insurance, I would like to talk over the matter of more completely protecting myself against losses.

Name .....

Address .....

Copyright 1917, Wm. H. Rankin Co.

FIGURE 12. THE WAY THE CHICAGO BOARD MET WAR-TIME CONDITIONS

it will be worth while in this study to give a moment to a typical bit of the advertising done under the stress of necessity. One of the advertisements, run in big space in a number of the Chicago daily papers, was as follows:

WORTH BUT HALF
WHAT HE WAS YESTERDAY

—He carried insurance on what he thought he was worth one, two or three years ago.

—He seldom took account of his stock.

—He did not realize that rising costs had increased its worth many times.

—He forgot that fixtures now sell for more than he paid.

—He failed to consider that his building would cost more to replace.

—And now, after the fire, he finds his insurance will only half replace what he possessed, due to constantly advancing costs for material and labor.

Tomorrow you may be worth but half—unless you have increased your fire insurance to cover the greatly advanced replacement cost of what you own.

Suggestion: Get out your fire insurance policy today—and write or telephone your insurance agent for information that will surely benefit you.

Cover your risk on the basis of its present valuation. Proper protection costs little more than half-insurance. Fire insurance rates in Cook County now average about one quarter lower than four years ago.

The danger of fire is nearer than you have ever suspected. Your turn may be next. Don't gamble on fire another minute!

Telephone, call upon, write or send the coupon to your insurance agent—now! (His name is on your policy.)

THE CHICAGO BOARD OF UNDERWRITERS,

Long and Short Advertising Copy

If you should ever be appointed to a committee to work on the copy for a group of agents you may as well realize first as last that it is a difficult job. Not the least of your troubles will hinge upon the length of the messages: the number of words in the copy, as though there were some magic formula for fixing the number of words a reader will absorb. Again and again, where copy comes up for approval, the question is asked: "Why all that message? Will anybody read copy as long as that?"

This much may be said in truth: If the message is not printed, or if essential information is left out of the message when it is printed, what is left out will not be read and it cannot help convince anybody or lead anybody to action. A message with ten dull words has too many. Advertising that is not read is passed by the reader because it is uninteresting or looks uninteresting, and for no other reason. This does not take into consideration advertising that is not seen because the reader has no interest in the publication.

People will read what interests them. Consider the Book-of-the-Month club; the best selling novels of the year; the growing circulation of magazines, to say nothing of the increasing bulk of the newspapers.

Tell your story. Tell it completely. Fill it with interesting, dramatized information, but be sure that the

interest lies with the reader, rather than with the advertiser.

For instance: A group of agents deemed it necessary to tell the story of stock fire insurance. They were willing to take big space to tell the story, for they considered it a big story as at that time the world was torn by war. Here is the way the copywriter put one chapter of that story into the newspaper. It was a long piece of copy, but the agents who used it say it was extremely effective:

IN DAYS OF TROUBLE, MEN TURN TO THE SAFEST KIND OF A FIRE INSURANCE POLICY

The great New York fire of 1835 started a great era of growth of stock fire insurance companies.

The Chicago fire of 1871, with its tremendous losses, was followed by a large increase in the stock companies' business.

The San Francisco fire of 1906 established in the minds of millions that stock fire insurance meets its obligations from adequate resources.

In these days of trouble, when the credit of great nations is falling away under disasters, it is a comfort to know that the old line fire insurance companies have the strength to defend themselves and maintain the credit of the business.

When you have a fire, you want to know that you are insured in a company that is strong enough to pay dollar for dollar under all conditions.

The Old Line Principles Guarantee the Strength of The Companies.

Because, for over a hundred years, it has always been our ambition to have the soundest fire insurance business in the United

States, and we now have the largest volume of business and the largest premium income.

We refuse millions of dollars' worth of business. Not everyone can get the protection of the old line companies. As nearly as is humanly possible, the possession of a Stock Fire Insurance Policy is an assurance against fire as well as insurance against loss by fire. We are very exacting in our requirements and insist that every possible fire hazard be removed. Changes which have been made in properties and in stocks of goods as a result of the inspections by the fire insurance agents have materially reduced the danger of fire. In many other ways we hold to the most conservative and the soundest principles of business.

In what company are you insured?

In times of disaster, insurance companies are tried by fire as nations are tried by war. Then the truth is driven home that the highest safety is the best policy, and the reasons for the rock-ribbed principles of old line stock fire insurance become apparent.

The following agents represent only old line stock fire insurance companies.

When the committee for the local agents in another city put up to their copywriter the job of warning some people in the community that they might not be able to get insurance, he asked "Why?" and was told that the loss ratio of the town had been excessive. It was desirable to build a public sentiment against those who had fires. Again a copywriter wrote another long advertisement to say:

A STOCK COMPANY POLICY IS A CERTIFICATE OF CHARACTER

A policy in a well known stock fire insurance company means to a large degree insurance against fire. Insurance against fire is a very different thing from fire insurance.

Naturally you want both. You do not want a fire at all if it can be avoided. Then if you do have a fire, you want the insurance money paid promptly and fully.

The undersigned do not want a customer who does not consider a fire a great calamity, even when fully insured and fully paid.

We want to insure only men who take our fire insurance as a preparation for the worst, but who will cooperate with us to keep the worst from happening.

When we are asked to write a policy of insurance on a property, we not only examine the property in order to estimate the full hazard, but we examine every element that affects that hazard.

One of the largest elements that enters into fire hazard is the character of the insured. The moral hazard plays as large a part in insurance as it does in banking. Our care in selecting risks and our careful consideration of the moral hazard involved is the greatest service the local agent renders—greater even than the payment of losses. It is done in the interest of our policyholders because upon this practice rests the soundness of insurance.

So the possession of a stock fire insurance policy is in a sense a certificate of character; the insured is worthy of the safe and conservative protection of the company.

By what agency is your property insured? Does it protect your interests by this extreme care in the selection of its risks?

The following agents represent only old line stock fire insurance companies.

Short Copy for a Single Idea

If there is one cardinal rule in copywriting it is: When the story has been told, stop. Your group of agents gathered together to tell their story may not be able to buy big dominating space. But you can do the next best thing. You can tell the story in shorter chapters, devoting each display to a single idea and using as

Come In!

Next time you pass our insurance offices, don't just glance in—*Come In!* We would like to greet you and, if possible, be of service to you.

Bring your insurance problems with you, and let us review your present insurance limits and compare them with your new insurance needs. Our counsel is gladly given—and you will profit by it.

The right insurance protection, you know, is essential for your safety and your security.

Come In!

FIGURE 13. SHORT COPY THAT PUTS OVER A SINGLE IDEA.

This advertisement, all ready to use, with an illustration or cut, headline and text, is shown just as it is mailed out by the National Board. This does but one thing. It invites people to call on the local agent whose name appears with it. It is sent in cut or in matrix form ready for an agent's name at the bottom.

concise copy as it is possible to write and still adequately present that one idea.

A series of suggestions put out by the National Board of Fire Underwriters illustrates this type. One advertisement is dedicated to the job of calling attention to the small cost of protecting the value of what one owns. The copy consists of but one paragraph of selling, while another paragraph introduces the advertisers. The whole message, including the headline, contains but fifty-seven words, just seven more than the limit of a night letter, but it is a complete advertisement, nevertheless, for it says:

DO YOU VALUE WHAT YOU OWN?

Of course you do! And you would pay dearly to redeem it in case of loss. Why not, then, protect it *sufficiently* in the first place with substantial insurance at a reasonably small premium cost.

We represent strong, dependable insurance companies, that pay losses promptly. You need our broad, dependable service.

Another short advertisement brings out the relation between fires and the cost of insurance. It is as follows:

YOU MAKE YOUR OWN RATE

If your property is likely to suffer severe fire damage, you must pay for the increased hazards in your rate. If your building has been safeguarded in accordance with known standards of fire protection your insurance rate will be lower. Your rate measures your hazard.

This is the spirit of fair dealing which marks the stock fire insurance business.

Consult us regarding your risk—today.

Another of the National Board's suggestions has to do with picking an established agency. That copy follows:

WHAT'S YOUR INSURANCE WORTH?

Sound insurance is worth a fortune. You can't buy it like a newspaper! It must be planned to fit your own most exacting needs. It is issued by strong stock companies, who select only well established representatives to care for your needs in the right way.

Broad, dependable protection, courtesy, promptness, satisfaction—you get them all in our established, efficient service.

Look Out for "Comparatosis"

There is danger ahead when any local agent, or a group of local agents, becomes afflicted with "comparatosis" (unbelievable comparatives). The ones afflicted seldom realize when their advertising is suffering. That's the insidious thing about it. And even one's best customers or strongest competitors won't tell one.

An agent once took his advertising troubles to an expert with a great many years' experience back of him. The agent was reputable and had been in business for many years, representing the finest companies in the land. "Service" had been his watchword for years, as well as the slogan of his agency ever since the vogue of slogans hit the business about twenty years ago. He had a wide

acquaintance. He belonged to the leading clubs. He called the other business men of the town by their first names. He worked early and late for the good of his community. He had also advertised liberally in the local paper for a decade or so, yet his business did not flourish as he thought it should. He had good reason to believe that his advertising was not taken very seriously by his fellow townsmen.

That is what worried him; especially as he was rather proud of that advertising for he had filled it with all the superlatives he could find that could be used with service, such as "best," "greatest," "oldest," "finest," and the like. He did not mention his competitors by name, but he let be clearly understood that if they would go one mile to do a job, he would make it two. It was a clear case of "comparatosis" complicated a bit by the too free use of superlatives. His sure-fire bromides simply failed to carry any conviction. The things he promised savored too much of the accomplishments of a miracle worker.

Sometimes "comparatosis" comes from a deep-seated conviction held by an agent that it is the only type of advertising the public is interested in. But usually it is a result of a passing delusion, aided and abetted in many cases by the fact that others are doing it.

The best prescription that can be written for "comparatosis" was put out by the National Vigilance Committee, now known as the Better Business Bureaus of the

International Advertising Association. This is called "Ground Rules." It is a decalogue for men who use advertising in their business and follows:

First: I shall confine myself to Truth in copywriting.

Second: I shall use no cuts which are not accurately illustrative of my own particular product.

Third: I shall familiarize myself thoroughly with my product and know that the statements which I make are sound, not by hearsay, but through personal experience.

Fourth: I shall neither defame my competitor nor belittle my competitor's product—for I realize that Advertising is not a weapon, but an implement; not an engine of demolition, but a chest of tools, by means of which the forces of production and distribution build an edifice of permanent success and service.

Fifth: I shall not capitalize my competitor's name and good-will, nor simulate the tangible evidences of his past labor.

Sixth: I shall not seek to justify misleading statement and practice through technicality of interpretation or laxity of law.

Seventh: I shall construe deceptive trade puffing as destructive advertising, and as objectionable as mis-statement of fact.

Eighth: I shall assist no advertiser to represent himself as other than he really is, nor his product for what it is not—as importer, if he is not an importer; as manufacturer, if he is not a manufacturer; as a dealer of the genuine, whereas he deals in imitations.

Ninth: I shall ignore competition in my advertising copy, closely confining myself to my own product—capitalizing, fairly and truthfully, its every advantage and merit. I hope thus to create an ever increasing demand for my product and to avoid, unwittingly, laying the cornerstone of public distrust in the products of the industry as a whole.

Tenth: I shall keep well in the foreground the function and duty of advertising, its justification for present being, and its past growth. As an Advertising Man, I am an indispensable part of

the great mechanism of distribution, which brings to hungry mouths, and minds, and bodies, the necessities and luxuries which make living worth while.

Reputation Helps Get Repeated Sales

It is not an argument against advertising to say, "but the business of insurance is different." What if it is? The people who buy insurance from you, when all has been said, are the same people who buy billions of dollars worth of things and these people are influenced in the choice of the things they buy by advertising.

This was well put into words in a newspaper message published in the *Cincinnati Enquirer* by the Ralph H. Jones Company, an organization of advertising experts, which said:

Did you ever hear a man say to a clerk, "Give me a pack of cigarettes?" Or to a motor-car salesman, "Let me have a nice $3,500 car?"

Can you imagine a woman asking for a jar of just cold cream? Or a can of unlabeled soup? Or a tube of nameless tooth-paste? Hardly!

It is always a *certain* cigarette . . . a *kind* of a car . . . a *particular* cold cream or soup or dentifrice!

There's no getting away from it!

No matter what people ask for, what they buy is reputation.

Deprive the finest automobile in the world of its name . . . rob the most delectable of soups of its label . . . divest the purest cosmetic of its reputation . . . and you couldn't *give* these things away!

Every good product deserves a good reputation; and today, thanks to printer's ink and white paper, any good product can have a good reputation without fail and without delay.

A New Type of Insurance Copy

There is a great need for a new type of insurance advertising copy: copy that approaches the task of interesting people from a new angle: copy that teaches people who need insurance and should have it *how to buy* insurance.

Of course you are in business to sell insurance, more kinds of it, in amounts nearer to the value of the property covered. And, most important of all, you hope to sell insurance to that group in every community that is now either without insurance of any kind, or if insured is woefully under insured. It is but natural for you as you try to sell insurance to have the wish to sell more always in mind, even when planning advertising. But if there is a better way for you to reach the same end; a more lasting method of interesting these property owners in the subject of adequate insurance, taken broadly, is it not good business, and, therefore, good advertising to give thought to the suggestion that it may be possible for you to do this differently? It may be well to talk over this idea of teaching people how to buy insurance with the advertising man called in to do your copywriting. Suppose you tell your advertising man this:

Not long ago a speaker before a group of business men, at a luncheon club meeting, said: "For years there has probably been no transaction into which the average man with a family enters that extends over so long a period of

time; from which he may receive so large a payment of money; which provides him with safeguards so vital to his possessions; which is so laden with possibilities for good or ill; about which he knows as little as his fire insurance policy."

If fire insurance is seldom bought as food, clothing, shelter, or even amusements are purchased may it not be because no real effort has ever been made to teach people how to buy insurance?

You may insist that insurance is never bought. You may say it must be sold by a personal salesman as something a property owner must have and must pay for. Granting that is now true, may not the reason lie in the approach that has been made in the past?

All the usual tests a prudent shopper applies to goods and commodities fail utterly when applied to insurance. Nobody has ever tried to give the buyer a new set of tests; a different standard of measurement; or a chart by which a man can go out and buy insurance over an agent's counter.

Perhaps advertising can change this. Even though your personal solicitation may still be necessary in a great majority of cases, how wonderful it would be if advertising could create an appreciation by property owners of the fact that when they pay their money to you and receive insurance policies in exchange, they have bought neither a commodity nor any other tangible thing: what they call insurance policies are in reality contracts.

FIGURE 14. A FORECAST OF A NEW TYPE OF GROUP INSURANCE ADVERTISING

This is a suggested layout of an untried kind of fire insurance advertising, the purpose of which is to coax people to call upon an agent and get him to go into a contract with them.

Suppose you look at it this way: An accepted definition says: "A fire insurance policy is a contract to indemnify the holder thereof for actual destruction, by a certain immediate cause, namely fire, of value appertaining to certain specified property owned by him." Why is it not possible for a better understanding of what fire insurance is, in the light of its legal definition, to change the habit of its being sold by you to a habit of property owners seeking you out to enter a contract with them? Such a change would be of great and lasting benefit to local agents as a group. Owners of property, reading such advertising about fire insurance, would discover first of all that instead of buying anything, as buying is commonly understood, they actually should look for somebody to go into a contract with them. Instead of being sold a piece of paper, the property owner could be taught to look for the representative of a big, strong company, to undertake by a contract to pay the actual value of whatever that property owner possesses if that value is destroyed by fire.

Another important and interesting fact that property owners could be led by advertising to discover for themselves is that an insurance policy is a personal contract. It does not follow the property, nor, properly speaking, insure the property at all, although the language of the day gives the impression that it does.

The proposed kind of advertising could also bring out the fact that a fire insurance contract is a contract that

will pay a man for loss that may come to him personally by the destruction of the value of certain property, and in addition, that he can insure his personal interest in property whether that interest be as full owner, or as a purchaser who has paid in part for property, as a holder of a mortgage on a building, or its contents, as one who has a life interest in an estate or vested rights in property left by a will.

The insurance policy has much in it to make it an interesting subject of a new and extremely different kind of advertising when looked at as a contract between the insurance company (represented by the agent) and this new type of buyer of insurance. Some clever copywriter will take this thought and develop it, round it out, and write a series of advertisements that will be another landmark in insurance advertising.

Only Death Actually Wipes Out the Memory of Advertising

Long after your advertising campaign has ended, and the extent and vividness of the arguments you put out has passed, evidence will come to light which proves that the basic facts of the campaign have been recorded in people's unconscious minds. But that fact is not enough to warrant you in planting the seeds of understanding by advertising and in leaving them to grow and flower alone. Life is far too crowded, too active for that. Yet these ideas, once planted, are a part of the minds of your

people, and over the years you will hear phrases repeated and recognize in the actions of your customer, things that will prove to you that an advertising message does not really pass from anybody's subconscious mind until death seals the brain in which it is recorded.

"It is not difficult to understand why this should be so," said George Draper, an associate professor of clinical medicine at Columbia University, in *Scribner's:*

> When one contemplates the facts that the "mindful tablets of the memory" are vast and exquisitely sensitive. Furthermore, no impression made in their plastic surfaces is ever lost. Upon them are graven not only those experiences which we can consciously call to mind—that is, remember—but also innumerable others so tiny and remote that they pass unheeded, like the swift shadow of a bird across a colorful, sunlit meadow. There is an immense storehouse for these mindful tablets wherein lie packed in orderly sequences all the sensations and experiences which have impinged upon our consciousness from the earliest moment at which it was capable of receiving an impression. Side by side upon the tablet with each experience lies the attendant emotion which sprang to life at the time of its recording. Those impressions which have been most recently graven, and so lie nearest to the present moment, we can most easily call to mind or consciously remember. Others, pressed down securely at the lower levels where rest the records of our early days, rarely float into consciousness again save at the magic instance of some unexpected symbolic messenger.

The "unexpected symbolic messenger" Doctor Draper hints at in the foregoing quotation is reminder advertising; something you do to keep alive and active the recorded impressions. That is the use and the purpose of

reminder advertising. That is why advertising continued over a long period of time is more productive than a few big slams. Constant advertising takes away the "magic" and removes the "unexpected" phase—and at the same time strengthens the impression graven on the mind—and if forceful enough and continued long enough—an idea can be so forcefully put that it will become a ruling impulse of a life.

Display is as Necessary as Copy

You must realize, however, that there is more to the matter of adequately displaying an advertisement than simply putting a pretty drawing or a half-tone in the space and putting the copy under it. To get the full force of the importance of display; of the attention-getting value of a good illustration coupled with good and proper typography, please compare one of the advertisements cited as an example of the elements of copy in this work with one of the full-page illustrations taken from an actual advertisement as used. The "copy" quoted in the examples is just as good as has been used in any of the illustrations, but there is no comparison in the interest-arousing force when reproduced as a completed advertisement, well displayed and properly illustrated as contrasted with the plain type as used in the body of the book.

A well conceived, carefully planned, and long continued campaign of cooperative, or get-together advertis-

ing is like Stentor, the Trojan herald of old, whose fabled voice was that of fifty men. It will not do in this age of leather-lunged advertising to whisper when you have a story to tell or a message to deliver. To be seen, which is advertising's way of being heard, and is the first requisite of successful advertising, means, first of all, the use of adequate space, so that your advertisement stands out from the pandemonium of other local blacks and whites like a vivid portrait on a wall of etchings.

Cyrus K. Curtis, publisher of the *Saturday Evening Post,* and other leading publications, speaking on the topic "What is the secret of good advertising," said:

> You have to start with the fact that nobody is interested in your business or what you have to say about it. Now, then, how can you gain such a person's interest or excite his curiosity as to what you have to say and to sell? You must first realize that fact, and then project yourself into his position and mental attitude. . . .
>
> I believe in large space, with plenty of white space, which so many advertisers look upon as waste space. I don't. To me, it makes an advertisement stand out—and that it must do to attract attention. I know there is another side to the question: the many-worded and closely set advertisements, advertisers tell me, are read and bring results. It may be. I have always gotten larger returns with the advertisement that says little, says it well, set in a striking way, with plenty of air around it.

Among advertising men there is a saying that, while not elegant, is expressive. It goes something like this: "Running a small, poorly displayed advertisement is like winking at a girl in the dark—you know what you are doing, but nobody else does."

The Problem of Procuring Art Work

A good drawing of an illustration suitable for use in an advertisement will cost anywhere from $10 to $100. At the lower price it would have to be an extremely simple design to be good. At the top figure, a capable artist should be able to turn out creditable designs. It is the poorest of poor advertising, and doubtful economy to "save money" by buying cheap art work and design —the attention-getting elements of display advertising.

Added to the item of cost there is the difficulty of procuring artists to draw suitable pictures for advertising illustrations, for such work requires more than the ability to make a pretty sketch or a clever drawing. The young son or daughter of some agent in town, who can make copies of pictures, or cartoon some village character, will not give you the sort of designs you need for the man-sized job of meeting competition for the readers' attention. Advertising artists of ability flock to the big cities. This may make it somewhat difficult for you to get individual, special advertising without the help of a professional advertising agency, but local agencies of insurance companies are a fortunate class, however. The more important companies employ, at their home offices, advertising managers who can cooperate with you in procuring art work. So, you see, the mere fact that there is no artist in town need not discourage you. The National Board of Fire Underwriters is prepared to go a long

way toward solving the problem of advertising illustration and display, for that organization has a number of designs ready for your use and these designs can readily be adapted to many messages.

Then, too, you have a friend in the person of the advertising manager of the local paper. If necessary, put your problem up to him.

Using a Standardized Design

The National Association of Insurance Agents, as has been said in another chapter, supplies a single design to the members of that organization. This is quite an elaborate design as will be seen by referring to Figure 3, page 99, with a number of parts or elements in its composition. It is supposed to be used with all advertisements run by an agent. It is easy to see the economy to the Association in the plan, but the use of a set design of such an elaborate nature cannot be fully endorsed for newspaper advertising. In other words, the best advertising practice points to the use of pictures that illustrate and give force and effect to the text or copy. This refers to the main illustration in a display. It is considered good practice, however, to repeat in each advertisement a trademark, such as the Association's seal, or a characteristic name-plate or signature design; something which can become a familiar identifying mark. This is the way trademarks with which you are familiar are used in advertising and it is also the manner in which these trademarks

are made familiar. It is also considered good advertising practice to establish a general style for a whole series of advertisements, and this style, if it proves effective, can be continued for a long time. This point has often been explained to individual agents, in personal interviews, something as follows:

From babyhood to the grave the human eye is looking for interesting things to tell the brain about. By long training your eye learns to register the changes that are apparent in friendly, quickly recognized things.

When you meet a friend after a considerable absence, you recognize that friend by his countenance, which one may call his personal trademark. As your eye studies your friend's face to seek out evidences of interesting things to tell the brain, it looks most of all for signs of change. Is the friend well? Does he look happy? Unhappy? Prosperous? Out of luck? That is the way your eye sizes up your friends.

Take an advertisement: Your eye notes a striking display and you see a headline and get interested, so you go on and read the story. As you read you see a name, a trademark, something that is familiar and you instantly experience a friendly feeling for that advertiser.

That is where design comes in. At the first glance the eye is either invited to go deeper into the matter or to turn to something that has more eye-appeal. If the illustration is the same old picture the headline has to do all the work of holding attention and arousing interest,

for if the eye of the reader at that first glance should convey to the brain the impression that it was "old stuff" it will take a tremendous effort on the part of that reader to concentrate on that advertisement until it is read.

Successful advertisers change their copy and illustrations frequently, on the theory that the Chinese so aptly put into words: "A picture tells more than a thousand words." Of course there are successful advertisers who never change either picture or words, but they are the exceptions that make the rule. Most advertisers make the picture help the text, believing that good fresh new pictures are essential. Long experience seems to indicate that this belief is well founded.

CHAPTER IX

SOME RECORDED OPINIONS OF OTHERS ON COOPERATIVE ADVERTISING BY INSURANCE AGENTS

WHEN one believes in a proposition it becomes second nature to urge the idea upon every occasion. This is especially true when one has had a considerable experience with a number of others in putting the idea into practice. However much this book has seemed to urge the use of cooperative advertising by insurance agents, the idea has been freely discussed. A few recorded opinions of other men well known in the insurance business may be of more than passing interest.

Claris Adams Shows Need

Some years ago a Mr. Claris Adams, an attorney from Indianapolis, was invited to speak to the National Board of Fire Underwriters at an annual meeting. It is natural to assume, because he was given this privilege, that he is looked upon as a man whose opinion is valuable. Mr. Adams is therefore quoted as one qualified to give an outsider's point of view. He said:

Insurance must be popularized if it is to prosper and progress as it should. If you scan your public relations with the same care you do your private business, you will discover a real conflagration hazard. Almost always public opinion is blazing somewhere and some legislature or commission is in complete eruption. I have no specific for unpopularity. Too long, however, it has been treated symptomatically. Symptoms should be reduced of course. They should be treated before they become virulent, if possible.

As this need of education is considered, one cannot help wondering, for example, what the public knows about the Underwriters' Laboratories; what people know about the way in which fire insurance companies cooperate with the state and municipal authorities in preventing fires; or in suppressing arson; or what the average property owner knows about the close relationship between fire insurance and credit. Mr. Adams also said, in the address above mentioned:

It is well to remember that you cannot teach the public the Dean schedule, but you can show the people that they make their own rates. You can convince them that insurance rates have a closer relation to insurance costs than in any competitive business in America. You can show them where the insurance dollar goes and justify it. You can compare average acquisition costs and expense ratios with the cost of manufacturing and distributing in any commercial enterprise or financial institution without fear. You can defend the American Agency System with the economic service it performs, as completely as commerce defends the corner grocery store. You can dispel the suspicion of extortionate profits —which is after all the crux of the matter—by the fact that insurance with all the hazards it assumes, with the constant danger

that the profits of a decade may be wiped out between dawn and sunset of a single day, has not averaged as great a profit as banking which takes no risks save upon its own investments, which risk insurance equally shares.

To gain an insight into the opinion of others, especially outsiders, suppose you take a very casual survey of the legislation proposed by uninformed and misinformed legislators each legislative year. It is nearly always true that people are "down" on the things they are not "up" on. With the mystery and the reticence (which is usually taken as secretiveness) removed and a clear showing of all the cards, face up on the table, the insurance baiter would be deprived of his advantage—lack of public understanding.

Testimony by H. C. Brearley at London

H. C. Brearley, head of the Brearley Service Organization, New York, is a deep student of advertising in its application to the business of insurance. At the International Convention of the old Associated Advertising Clubs of the World (now the International Advertising Association) held in London in 1924 he made an address on "Cooperative Advertising, the Cure for Underinsurance." In the course of that talk he gave a vivid word picture of the job cooperative advertising has cut out for it. If you could turn to my well-thumbed book of clippings you will find that he said:

It will be necessary, I think, temporarily to ignore details and consider insurance as a whole. The diversities are, after all, on the surface. All forms of insurance spring from one great human need, the need of security.

Human progress has consisted largely in the formulation of precautions against insecurity and, in modern times, this has resulted in the invention and marvelous growth of insurance systems by means of which multitudes have acquired measurable peace of mind.

The method by which all this has been brought about is one of its most interesting features. It has involved literally tying together the resources of persons and of nations with a network of invisible connections represented by millions upon millions of policy contracts. In so doing, it has exemplified the principle of voluntary cooperation upon a scale incredibly vast.

To some, insurance may seem to be a dreary technical subject, but when rightly understood, it is seen to be an inspiring chapter from the drama of human history. Therefore, as insurance advertising men, we are concerned with no ignoble subject; we are heralds of social security through systematized human cooperation and are charged with the responsibility of bringing its advantages to the attention of multitudes who stand in need. Upon us, as insurance advertising men, there falls a large part of the burden of creating the demand among those who should be buyers. How may this be done? First of all, I believe, by "selling" the idea of security to the largest possible public and upon the largest possible scale. And then, by making the necessary application and differentiation of the principle in favor of the separate companies and the separate forms of coverage.

Sales resistance, so-called, will tend to disappear to the degree in which the public is convinced that it is unnecessary and unwise for a person or a business to remain the sport of chance, financially speaking, when protection is easy and economical to obtain. As this idea becomes established, however fractionally, whether with reference to life insurance, fire insurance or any other forms of

coverage, every extension of it must be in the direction of complete protection.

The first step in the direction of complete protection involves nothing less than cooperative effort, extending across the whole range of insurance, all companies and all kinds of coverage, in one great, systematic, persistent attempt to "sell" the general public upon the thought of protection. Sooner or later insurance advertising men must raise their eyes from the details of their individual tasks and face this far greater issue. In so doing, they will increase their sales service to their companies, not lessen it.

Mr. Brearley then went on and showed that the greatest piece of advertising salesmanship the world has ever seen was the selling of the idea of the war to the German nation. He said:

Leaving the field of war and politics and returning to our own beneficent realm of insurance, it is possible similarly to imbue the populations of our respective countries with such an enthusiasm for the acquirement of protection in the form of insurance contracts that they will seek it with regard to every protectible hazard, quite as a matter of course? Unquestionably, it is, I answer; it is possible—ultimately—if the right methods be pursued. It is not possible quickly, nor easily, nor cheaply, but that, theoretically, it is possible to reach down into the depths of human nature, to seize upon an age-long and universal instinct and to lead it to those practical modern methods, through which the instinct may be satisfied, of that I have no doubt. Whether or not it may be practicable within the present decade or generation, is a different matter—a matter of vision, of resolve and of cooperation, for I must stress again that this thing cannot be done separately, save as the slow evolution of generations.

J. B. Levison's Opinion

When J. B. Levison, president of the Fireman's Fund Insurance Company of San Francisco, was speaking at the annual convention of the Fire Underwriters of the Northwest, held in Chicago in October, 1924, he gave a vivid word picture of the situation an attempt has been made here to portray. You may be interested in what he said in the course of a strong address:

> I want to say with all the seriousness that it is possible for me to put into words, that unless these differences are composed and we ourselves agree upon the method of conducting our business we will find ourselves, and this before very long, hopelessly involved in a maze of interference on the part of the state, through legislators and state officials, the result of which it is impossible to foretell. I think I am within the mark when I say that there is today less harmony and more personal antagonism in the fire insurance business than in any other great business. Why? What is the cause of it all? As far as I can see it is nothing but an overweening personal ambition and an apparently unquenchable greed for premiums. No business great or small can prosper so long as it does not present a united front to the outside world and here is where we have failed lamentably and where conditions at the moment seem to be getting worse instead of better.

If that be true, and the idea has been stated so often and upon such high authority that a majority of insurance men accept it as true, is it not a condition calling for aggressive action?

But Mr. Levison adds to the indictment, when he says:

. . . so long as the present condition continues the situation is utterly hopeless and must drift from bad to worse. We cannot expect support from business men when we cannot agree among ourselves, nor can we complain of interference by legislators when we are told that many men in the business invite such interference as a solution of existing difficulties, and last, but by means least, we are by our very acts furnishing ammunition to our enemies which they are not slow to use against us.

It is to my mind a most remarkable fact that a business without which commerce cannot be carried on stands today almost alone as a target. The reason for this lies in the fact that we have failed ourselves at the point of effective organization and cooperation. The point I want to drive home in what I have just said is that once we give the public a proper understanding of the insurance business, its aims, objects and activities, we find immediate friendly response.

My second point is the isolated and comparatively unimportant position which has been occupied almost uniformly by fire insurance and fire insurance men in the business world. I do not hesitate to say, and this without the slightest reservation, that many of the difficulties now confronting our business would have been avoided or at least greatly minimized had we taken the position which we should have taken in the commercial world.

Going on, enumerating and emphasizing the causes that in his opinion have led to this untenable position, Mr. Levison enumerates the remedies. He did not call the cure cooperative advertising, but cooperative advertising surely is indicated, for he said:

Having arrived at the reasons, the remedy should be sought. This I have already implied in my discussion and I will therefore in conclusion simply recapitulate briefly the outstanding points:

We must first submerge selfish interests and personal ambitions so that there will be harmonious cooperation.

Again, there must be active participation on our part in public affairs of every nature, civic, political and commercial.

Together with this should be developed a comprehensive program of education and enlightenment of the public along the very broadest lines and on a much wider scale than has heretofore been even as much as considered.

With all this accomplished at least approximately the relationship of insurance to the public will be much closer, much happier and on a footing, in my judgment, not possible under existing conditions.

An Agent Who Sees Good In Advertising

It is not advertising men alone who see benefit to the insurance business as a result of cooperative advertising. A local agent at Belleville, Illinois, was sick for six weeks or so in the spring of 1928. Recovering from his illness, and before going back to the busy crowding duties of his agency, he had a splendid opportunity to think over quietly the changes that had come to the business in the long years he had been active in it—including the application of cooperative advertising to the work of a local agent.

Then he wrote an advertising man of his acquaintance a long chatty letter in which he said:

As I remember back and review my experience in the business, which I conducted on somewhat different lines than are followed by the majority of agents, my policy being to run an insurance agency on strictly business basis, I am impressed by the fact that

in those earlier days it was like pulling teeth to get any advertising matter from an insurance company. This was especially true in regard to the advertising of a particular kind of insurance. It was not until the trained advertising man came into the field that the bigger companies took the logical step along with other industries and used advertising in modern business.

But unfortunately we still have some company officials and directors, especially of some companies who think that advertising in insurance is unnecessary, even though the agents feel that such companies are far behind the times in their methods.

As I study this evidence of evolution in the insurance business I am reminded of the operation of the railroads in years past, when it seemed to be the policy of railroad management to ignore the public. Some of the public utility companies acted upon the same plan. The railroads and the public utilities changed, and it is unfortunate that the old idea prevails among the executives of some insurance companies, so that the work of local agents has not been as satisfactory or on as modern a basis as I should like.

Cooperative advertising in the insurance business has been a great help to the public in getting that public's confidence, as well as in giving the public some education. Advertising has been a great help to the agent in not only getting additional business, although that does not apply to all agents of all companies, but it has helped to educate them to knowing what is in a policy contract by reading about it through short, interesting circulars. Advertising has helped the insurance companies, especially some of them, those that have endeavored to conform to the different way business is done today—a way entirely different from the methods of years ago.

You will find this agent's letter duplicated by the testimony of thousands of local agents when the matter is called to their attention. The point it drives home is this: insurance agents, being on the firing line, know how the

changes in business, and the way business is conducted, affect them in their work.

A Report on One Campaign

The agents of Binghamton, New York, have been using cooperative advertising prepared by an advertising agency of that city. Several years ago the first campaign was run. Recently a local agent, who had much to do with putting the idea over, wrote the following letter that may give you a helpful idea:

The campaign in which the Binghamton agents joined some three or four years ago, I will modestly state was somewhat due to the fact of my pointing out to the advertising manager of one of our daily papers some of your copy which I had recently received. This energetic young advertising man immediately got busy in a personal way with our Insurance Club members and thereby interested them in a measure so that at the first meeting of our Insurance Club formal action was taken approving the plan.

The financing of the campaign was by a pro rata distribution of the expense among the existing members, and as I recollect the campaign ran for approximately three months, at which time it was dropped and nothing of the sort has been done since up to about one year ago, when another campaign was put on sponsored by a local advertising agency, which ran for six months during the year 1927.

This last campaign in my judgment was rather flat and colorless as to the copy, for the reason that I believe no ordinary advertising manager dealing in a general line of advertising can as adequately furnish this copy as can a man schooled in insurance. However, at the end of the campaign we believe a number of the Binghamton agents are still keen for a continuance of some sort

of cooperative advertising, and I presume that within the next few months we shall again put on some sort of a cooperative campaign again.

As to what is the future of local agency advertising, I can of course only give you my personal views which naturally are biased, but, however, founded upon the experience which I have gained in the past fifteen years from an agency standpoint, and more particularly from the last five years as a participant in such advertising on any definite scale, it appears to me that the future of local agency advertising will consist of more real constructive and educational sales advertising by visual and newspaper and direct mail methods and less of a novelty and calendar type of advertising. Agents must realize that advertising in any fashion costs money, and too much of the reminder type of advertising is money squandered without any possible return: For example I mean, blotters, pencils, calendars and any general advertising giving simply the agent's name and address and with such usual phrases as "When in need of insurance see Jones first." I believe that the insurance agent of today should have a definite sales talk for what he has to sell rather than dabbling in generalities that mean nothing to the public as a rule and cost exactly as much when set up in newspaper display as something that will bring home the bacon.

In addition I believe that cooperative advertising in the future should be used to tell the story of sound insurance and especially should be backed up by organized Insurance Clubs, and with the idea in the background of the advertising that the purchase from members of Insurance Clubs should mean standardized quality and standardized service of the highest type. This naturally is largely within the control of the local Boards in elevating the standard of membership, but this condition again is being rapidly taken care of by each community because of the program of National and State organizations to this end.

In addition, the A.B.C. technicalities of insurance and insurance contracts can be well pointed out and made readable to

the public and particularly those items of an insurance contract which, unless understood by the policyholder, may easily void a contract, such as a removal under the fire policy without notice of the company, or creation of additional hazards without notice to the company, the inspection of electrical work and its approval.

An Emergency Started Agents

Here is a letter that tells an often repeated experience of agents. It was written by a member of the Insurance Agents Club of Syracuse, New York.

The Insurance Agents Club has about thirty members. Some five or six years ago, when there was a change in automobile liability rates, at a meeting of the club, we decided to run a half-page advertisement with the names of the different agents at the bottom of the advertisement. We had so many complimentary comments on this that we continued to advertise in the three local papers, inserting two advertisements a month in each paper at different times during the month.

The charges are made by the newspaper, pro rata to each agency and billed by the paper in that way.

I believe the different agencies are all very enthusiastic about this form of advertising and in a number of cases where an agent would have put across some unethical way of doing business in his office, he has been kept from doing so by knowing that he would be thrown out of the Club and the advertising with the other agents. I feel that it was more because he didn't want to be dropped from the advertising than that he didn't want to be dropped from the Club.

I believe the Syracuse Insurance Agents Club was one of the first to go into the collective advertising, and we have letters from cities all over the country asking us how we put it across.

CHAPTER X

GENERAL REMARKS SUGGESTED BY A STUDY OF COOPERATIVE ADVERTISING BY INSURANCE AGENTS

LOCAL agents are sometimes hard put, when studying advertising that has been done, or considering plans for future advertising, to give it a proper evaluation. What can you properly expect from local advertising, especially newspaper advertising; how can you or a group of local agents decide whether the advertising you or they are doing is paying or not?

That is a hard question to answer. In the first place it is unfair to advertising. It will be disappointing to the agents using it to expect the same kind or character of traceable returns from advertising for the insurance business that a local merchant receives from his use of advertising in his merchandising. The purposes are so different. In the case of the local merchant, advertising is largely devoted to calling attention to bargains in goods already well known, the uses of which are understood, and for which there is a demand, more or less acute, which has been built up, perhaps by years of active advertising by the merchant and the manufacturer.

Insurance, possibly because of the very nature of it, is seldom in active demand. It seems that the personal urge of the salesman is still necessary to complete the sale of a policy; perhaps, also, that will always be the case. Certainly there can be no bargain or cut rate inducement offered to people to come and buy any kind of insurance; nor can extra measure of protection be offered; nor any unusual inducement held out to the man who buys "on Monday morning before 10 o'clock."

The agent's merchant friend as a usual thing remembers the returns—the direct, traceable returns—he received from his bargain or price advertising. However, at the same time he will also carry in that very bargain day advertising something to popularize a new line of goods, a recently introduced brand or a new department, and on these new things his experience will be similar to the common experience of agents: often he cannot trace results of such advertising for a long time, but his merchandising training has taught him that advertising is the cheapest and most effective method for interesting possible purchasers in his merchandise. It establishes his place of business firmly in the mind of the public. It makes the names of his brands familiar sounds on the tongues of his customers. The style and type of the stuff he sells becomes acceptable by that strange, little understood something called public opinion. In the same spirit you should direct a considerable portion of your advertising to creating a favorable public opinion in your behalf.

Advertising to Shape Public Opinion

Advertising well planned and expertly done, continued over a long period of time, is shaping and influencing the buying habits of this nation. One result you can confidently expect is that it will have considerable to do with the habits of thought of owners of property in connection with their insurance. It will change environment. It will establish new lines of thought and set new standards of security and business foresight.

The thoughts of one group of men impressed upon the minds of other men are what build public opinion. If these thoughts are studied, serious, helpful thoughts, based upon truth and told in a forceful, interesting manner, the opinion of the public will be sound, friendly and responsive. That is the kind of knowledge that can be imparted by a group of agents to the people of a community by cooperative advertising on a printed page. If, on the other hand, the information the people get is based upon the half truths of misunderstanding, the resulting public opinion will be warped and destructive, whether gained by word-of-mouth, garbled news or destructive editorial comment.

You cannot and should not expect the publishers of newspapers to dig into your business and tell your story as you want it to be told, because many editors and writers are themselves lacking in an understanding of the business of insurance and especially the business of

the local insurance agent. The world looks to those who know for its facts. Nobody will tell the local agents' story but the local agents themselves. It is natural, but unfair, to charge editors and reporters with malice because of the manner in which they sometimes write about insurance matters, yet these men may be doing the best they know how to do with the facts they have. With all its shortcomings, the local newspaper is the most potent power for the building of public opinion there is in the world today. It is the source of information to the largest number. It is indispensable. You can prove this assertion by your own experience. If in all seriousness you were asked to give up all forms of reading, you would part with your newspaper last of all. Properly studied that same newspaper is a mine of leads to you. It reaches out. It sends its reporters to girdle the earth or to penetrate to the chimney corner next door. With its full quota of joy and sorrow, success and failure, prophecy and report it will, in addition and at the lowest cost, carry your message and create public opinion for you right in your own home town. And that newspaper is welcome in the home of the millionaire, the business man, the salaried man, and the worker for daily wages. It mentions your friends and your rivals. It tells what happens on Main Street or on your own boulevard. Sometimes, if you give it opportunity enough, it becomes personal and you "get a write-up."

Any good newspaper in a town has more readers in

that town than any local agent has prospects and customers—and every reader is now logically a potential patron for an agency. To the modern agent, if a man has earning power and nothing more, the agent wants to insure that earning power.

Perhaps aggressively by cooperative advertising, or quietly, in some other way, the local agents of America will find some way of making a profit out of that great mass of our people, the men and women who have not yet attained the rank and class of "owners of conspicuous property." Who can approximate the profit to be earned by agents when a way is found to serve the millions, the wage earners now uninsured? They are the constant spenders who draw wages and salaries from weather-proof pay envelopes—the steadiest employed and heaviest paid people on the continent, taking them all together. They are the ones whose incomes are not regulated by rain, sun or frost—who never stint a vanity, an appetite or a desire. Agents want to tell the story of insurance to "people who have buying ability tucked away where once they carried a ready-money belt."

Cooperation Makes Attainment Possible

It is good business for you to devote a part of your time and a portion of your capital to telling the world clearly and interestingly, in a local newspaper, just what services you perform in return for business patronage.

Of course when local agents advertise as a group all the members of the group will benefit. If the author might be permitted in your presence as you read this, he might catch you saying: " 'Bout as I thought. That means that a part of my hard-earned commissions would go to help that upstart across the street. You can count me out." And the job for any community will be hopeless, if you really feel that way, unless they do count you out or convince you that it is poor business, as well as painful, to bite off one's nose to spite one's face. The age-old competition of individual with individual is not being discussed. That is another matter entirely. This book is a consideration of ways and means of overcoming sales resistance and misunderstanding, nothing more. In developing a better condition of public relation it is more pleasant, popular, and profitable to join forces with the fellow across the street and see with him, eye to eye, than it is to fight him. It will make both of you better men and fairer competitors.

It was this kind of cooperative advertising effort that put grapefruit on the breakfast table, and saved the grapefruit industry. It was cooperative advertising that took raisins out of home brew and made them a mid-day nibble of thousands. It was cooperative advertising that taught you to "say it with flowers," or "save the surface," and it is the same force that is going to make you buy a second car. In literally thousands of cases cooperative

advertising has served and is serving business. It is cooperative advertising that will put the insurance agent on the sunny side of Main Street.

Giving the Average Man Something to Say

In the days when people believed that business was no better than it should be, business was pretty crude. Its favorite saying, uttered behind big, tightly closed doors, was "the public be damned." The executive, hidden away in exclusiveness, seemed to presage that he was planning to take advantage of the "sucker" that common report said was born each time the clock ticked. The public, being uninformed, believed that if the elusive executive was doing anything at all, he was probably trying to put something over on some poor devil of a man, for did not business warn its customers by *caveat emptor!* And the public of those times did beware.

That public, looking back on it, was made up of innumerable groups. In some of these groups were men perfectly able to take care of themselves. And they went after big business, or little business, whichever seemed handy, with a thoroughness and a method taught to them by the corporations of by-gone days.

But we are more concerned just now with the masses. There are many more men in that group than in the other. In the masses were those whose vocabulary consisted of about 7,500 words; men who experienced difficulty finding an agreement in meaning between "in-

demnity" and "payment" when it related to a loss by fire or some other clause made a part of an insurance policy. To them, the word "mutual" sounded friendly, while "stock company" recalled Wall Street and in turn suggested stock jobbing and gambling. Pirates and oppressors of the poor were closely associated with the very names of the big companies in any line.

But times have changed.

Big business has come out into the open. Insurance agents are getting into step with other business men. Industry is strutting its stuff in the open so that those who wish to know how it functions can look and see for themselves, but not yet does our average man go and look into the things business is doing. He prefers to sit on his porch, or under his figurative fig tree and discuss his opinion of business with another average man, and most of his discussion is based upon the same sort of nonsense and superstitions that make up his life. It is a very narrow and misinformed life. Our average man left school at the seventh or eighth grade, to go to work or to learn a trade. Dr. Harry L. Hollingworth, of Columbia University, has said:

> He has a smattering of local geography, a little bit of history and a few elementary facts of physiology.
>
> He believes that a couple of quinine pills and a stiff drink of whiskey will cure a cold, that the Masonic order goes back to the days of King Solomon, that it is practically fatal to eat lobster and follow it with ice cream, that red-headed people always have quick tempers, that tan shoes are cooler than black for summer

wear, that dew falls, that morals were purer twenty years ago, and that the winters were longer, the snow heavier and more frequent when he was a boy.

But this same average man loves to air his *wisdom*—and in that psychological fact lies his greatest susceptibility to the influence of advertising. Not only does advertising afford a subject of conversation to the average man, but there is a charm about group or associational advertising that makes it particularly strong with him.

When you advertise, you can break through suspicions by sincere, earnest, oft-repeated messages, but it takes this average man a long time to forget that the message he is reading is the message of one business man, an individual, a person that the chances are he does not know. But multiply the signature and in place of the individual sign the message that is given to the average man by all the names of all the men engaged in a certain line of endeavor and it somehow becomes divested of its weakness and goes out, bearing on its face the stamp of authority and authenticity. Break down a reader's doubts, which are the parents of his fears, with homely, interesting facts, and names that he recognizes, and you have gone a long way toward replacing his surmises with convictions.

Any Educational Effort is Slow

Results of cooperative advertising, outside of correcting a grave misunderstanding, improving unfavorable

conditions, or establishing some new rule or method of conducting a business, are slow. That is what we gather from the recorded experiences in other industries. Even where associations or groups have some commodity to sell, early advertising is likely to be unproductive of quick results. After a while, however, these campaigns begin to make an impression. People ask for this thing, or that thing, by a trade name. Business picks up. The backers of the enterprise are encouraged. The work goes on.

But in a campaign of cooperative advertising the purpose of which is educational—and most insurance agency advertising is fundamentally educational—the length of time it takes to reach the point of traceable results is exasperatingly long. It is as hard to advertise and to wait as it is to labor and to wait. Impatient to see some of the miracles he has been told advertising can perform, the local agent lets his disappointment run away with his cooler judgment. Instead of exercising tolerance and patience, he grumbles and withdraws his support from the campaign. Nothing is easier for any man to say than a curtly worded demand: "Show me results!" Sometimes the results of advertising are painfully slow; education is always slow. A profitable or successful cooperative advertising movement requires patience while it gathers momentum.

The successful cooperative advertiser, like all other advertisers, is the local agent who has studied the advertising of others and knows that it cannot be expected to

work wonders over night. And so your work if you undertake the task of interesting your neighbors in any insurance proposition will be slow. You must realize that the crying need in all advertising is continuity, plain, every-day everlastingly keeping at it. Many a short-lived campaign dies of its own accord just when the advertising is getting a weight-lifting hold on its burden.

When the Individual Joins a Group

A problem that you may have to face, when plans are made for the cooperative advertising by a group, has to do with the advertising of other individual agencies when they join the group.

Nothing need happen. If the agency which has been advertising on its own account desires to carry on that activity while the group advertising is being done, there is no reason in advertising experience why it should not do so. Such an agency does not have to be taught the value of advertising—the man who runs it knows what advertising will or will not do. He knows from his own experience, sometimes dearly bought. He also knows, or should know, that the cooperative campaign will probably make his own effort stronger and more effective. He is a fortunate man, and may be considered exactly as would be an agent with an office on the street level at the corner of the two main streets of the town.

It would be quite unfair to expect such an agency to drop its individual advertising because of the bigger,

more conspicuous campaign of the group. So also would it be unfair for such an advertiser to ask, or expect, the committee in charge of the copy so to shape the group message that the big effort might directly supplement his own individual advertising.

The ideal situation would be a cooperative campaign by the local agents in a city where all the leading agencies were using some form of advertising in their individual capacities so that the cooperative campaign might tie together the advertising that its members were already doing. Basically the cooperative advertising usually will be found to be an attempt to spread good news about insurance and to unify the existing good news or knowledge of how insurance serves a great many people.

You must not lose sight of another angle, and perhaps the point of most vital importance to the whole subject of cooperative advertising: Wherever groups of competing local agents actually get together; actually spend their money on each other, in an effort to get the people to come to a common understanding concerning the way in which the local agents serve and earn their bread and butter, they want whatever advertising they do to be headed toward a single purpose. You know that by pooling your effort with others you can all accomplish a purpose that is conceivably beyond the reach of any one of you individually. You expect that there will come an increased acceptance of the idea of insurance, from which each member of the group will receive the increase

that is so desirous. It is not an altogether unselfish spirit that agents obey when they go into cooperative advertising. It is a case of helping the other fellow because to do so also helps you.

Holding Gains Made by Advertising

The greatest good, aside from the fact that the life work of local agents will be made easier, more pleasant, more profitable as well as more productive, to be expected of cooperative advertising by local agents will be the part such work will have in revolutionizing the insurance business in America. The word "revolutionizing" has an unfortunate connotation. As used here it means change; the completion of a course, not war against an existing order of things.

The completion of a campaign of cooperative advertising will mean that a group of insurance men have learned how to get together to take some forward step, rather than simply how to rally in their own defense when in trouble. It will mean that insurance agents have learned to trust each other, and the individual will have ascertained the fact that other agents of the community are trustworthy. It will herald the day when trade secrets are swapped around for the benefit of all; when the headquarters of the group, or the secretary's office of a local board, will become the clearing house for information that all should share; when men will give as freely as they expect to receive—so that better plans for the general

good can be formulated and greater effectiveness attained.

To hold the gains made through cooperative advertising the individuals who comprise a group will learn that it is better business to concentrate upon the unwritten lines and the uninsured risks than to dissipate selling effort upon the owners of property already insured by another agent. Having united for a time to establish a wider and a more intensively cultivated market—outer circle selling—as it has been called, the agents who have gone through a campaign of cooperative advertising will hold fast to that wider market.

Like the Fable of the Bundle of Sticks

The plain unadorned fact that local agents will use the force of advertising as a group, on a cooperative plan, as hundreds of such groups have done, indicates that the insurance agents of America are awake to and aware of the arrival of a new age in business; that the old doubts, suspicions, hatreds of competition and competitors—all the old, worn-out ideas—are slowly but surely being dispelled. As business becomes more friendly and more human it increases in effectiveness. The rewards it holds for its devotees also grow larger.

To hold the biggest gain that can be made by cooperative advertising local agents will keep fresh in their memory the objects they had in mind when their advertising was going out, the reputation they gave themselves, the best foot they put forward in their publicity, and it

will be well if they always remember the bundle of sticks: a fable that is still an effective adage.

Pitfalls in Cooperative Advertising

It is only natural that the outstanding successes of cooperative advertising should lead to attempts to use the idea to perform miracles in business, especially in the insurance business. Some of these attempts make one think of the old story of the Indian, who overhearing a white man tell another that feather beds were extremely comfortable, placed a feather on a plank and slept on it. In the morning he rubbed his aching joints and said that the white brother was a "heap big liar."

Similarly groups of agents have been known to hold post mortems on advertising campaigns, after two or three advertisements have appeared, and to have solemnly noted: "that the advertising is obviously not paying and no evidence can be produced that it is accomplishing its purpose."

In 1924 the Periodical Publishers' Association, through its New York office, issued a report on a number of cooperative campaigns. In this it was pointed out that the high success of cooperative effort in advertising depended upon so many factors that it was not surprising that a considerable number of the campaigns had proven disappointing. But these very failures, especially those in which advertising on a national scale was an essential

part, helped chart the way for the bigger successes of the past four or five years.

From a pamphlet called "Experiences of Associations in National Advertising," copyrighted April, 1928, we are privileged by special permission to copy six reasons why associations have discontinued advertising. We set down these reasons for what they may be worth to the local agents of America:

First: Advertising discontinued pending formation of a more effective organization or the development of a new program. It is interesting to note that a number which had discontinued advertising have resumed on a larger scale a few years later. There are associations now inactive, but preparing to resume their advertising.

Second: Failed to note results. In a few cases, brief campaigns were conducted. Perhaps too much was expected and no marked results were felt. Perhaps, also, the results could not be definitely evaluated. There appear, however, to have been no campaigns of any considerable magnitude or duration which were discontinued for lack of results.

Third: Achieved the objective. Some campaigns were inaugurated to meet specific or temporary conditions. When these ends were accomplished, the advertising was dropped.

Fourth: Discontinued for reasons not connected with advertising. Some associations have disbanded and the advertising has been dropped along with other activities. In one case most of the members of the association were consolidated into one company.

Fifth: Change in market conditions. Some associations represent products where the crop or supply varies largely from year to year. The advertising may change accordingly.

Sixth: Organization troubles. Some association advertising has

been started without an effective organization. In some cases there have been jealousies within the organization or between overlapping organizations which seriously handicapped the work.

Other campaigns have been hampered by attempts to control the activity so those not contributing could not benefit. Some have suffered by the attitude of one or two large factors in the industry.

The problems of organization seem to be of prime importance for the success of association advertising and should be given careful consideration in every instance.

The membership of the Periodical Publishers' Association, composed as it is of the publishers of the leading magazines, is vitally interested in making advertising a success. While no group of local agents, unless indeed it be the National Association of Local Agents, has a geographical distribution that would warrant the use of general magazines of national circulation, still there is a lesson in the advice given to industries of a national character. That advice may be summed up as follows; to quote from an earlier report of the Periodical Publishers' Association:

Given a definite aim, a well-planned campaign, led by men of influence, adequately and justly financed and an efficient management, there is no reason why there should be more uncertainty in cooperative advertising than in that of any individual firm. The advertising, of course, should be managed by a man who has specialized in marketing, just as much as statistical or technical departments should be under specialists. In the past, Associations which were well-organized and had been in existence for a considerable time undertook campaigns; and because they already had a

properly functioning organization, turned their publicity work over to the same management as an added activity for supervision. That was evidently unfair to the management and a handicap to the advertising. If the members are not sufficiently interested in their joint advertising to see that it is skilfully managed and that it is as adequately provided for as their individual advertising, little can be expected of it. Cooperative advertising calls for a very high degree of genuine cooperation of the participants. It can and has accomplished more for an industry than the members could achieve independently. Cooperative advertising is beyond the experimental stage. It has proved itself. Failures hereafter will be charged to those participating and not to the nature of the undertaking.

CHAPTER XI

CASHING IN OVER THE YEARS

EVEN the most successful cooperative advertising campaigns end. They end because they do not often have behind them the selfish drive to keep on that is so characteristic of individual effort, either by a company or a single agency. In a board of local agents there are too many interests to be served by advertising, to expect a group to hold to one ideal indefinitely. If the job the agents set out to do by advertising is done, and well done, there is perhaps no impelling reason to continue the cooperative effort after that big object has been accomplished. When the people of a community have been educated to realize the importance of insurance to their well being; when they have learned to accept the insurance agent as they do the doctor, the lawyer, or the policeman who patrols the streets, the ancient competition of one agent with the other agents of the town again takes the center of the stage.

I opened this discussion by asking you to consider with me the needs of an individual agent. I suggested a way for you to call upon your fellow insurance agents because the task of making people insurance conscious

was too big, and too costly, to be done by you alone. Now what happens when the group of which you are a member comes to the end of its campaign? Is your advertising work as a local agent done? Is your need for advertising past?

By no means.

But if you followed the plan suggested by the first ten chapters of this book a conspicuous change, advertising-wise, has been brought about. At the beginning, when the benefits of insurance and your work as the local representative of insurance were both unknown and unappreciated, you were forced by circumstances to assume the rôle of a teacher. Your main job in the beginning was to instruct. That done, for the future it becomes your duty to *remind*. It is an axiom in advertising that once people understand a proposition they do not need to be informed so much as they need to be reminded.

This *L'Envoi* is based upon an assumed set of facts. Let us suppose that the group of which you were a member has conducted a well planned effective campaign, sufficient in itself to make the people of your community insurance conscious. While you have been doing that the industry has been putting a background behind you. That is, the National Board of Fire Underwriters has carried the wonderful story of insurance in the newspapers. Leading companies have backed up the cooperative efforts of the national organization and have used magazines like *The Saturday Evening Post, Collier's Weekly,*

World's Work, Time, and a number of publications of smaller circulation. All this has been designed to put over the idea of stock insurance protection and the services of local agents, and the particular service of a specific company as a by-product. While the people of your community have been assimilating insurance information, you have been doing your share to focus some part of this newly stimulated interest upon yourself and your agency as the logical place for these insurance-minded neighbors of yours to go for sound insurance. Further, you probably represent, as an agent, one or more of the companies which advertise on a national scale and, as though to heap the measure, these companies are equipped to help you in your own efforts to apply the full force of that advertising locally. That is rather a broad assumption, but it is not an unusual case. However, what you want to know is this:

What must you do to cash in on what insurance advertising you have done as a member of a group over the years to come?

The answer to your question depends upon you. It depends upon your town. It depends upon the kind of an agency you conduct; and upon the sort of an agency you wish to run in the years to come.

In the first place, if your ideas on this are indefinite in your own mind, you have some hard work to do before attempting to fit advertising to your needs.

Modern advertising is not like a suit of pajamas—suf-

ficient for the purpose regardless of color, fabric, or fit. Never before has advertising been under so keen public scrutiny; never before has it been possible to do so much by means of the written and printed word; and never before has it been so necessary that advertising fit the plan of general progress and that it be deliberately so planned.

However, there are some general principles which hold so true to the advertising of the insurance business that they may be set down as guide posts. With these landmarks understood, you can better shape your course and really hope to get where you want to go.

It Depends on You

Ask a hundred local agents why they are advertising and you will get about a hundred different answers. Of course these answers can be grouped under two general heads: (1) to get more business, and (2) to keep the agents' name and business before the people. Both are good reasons, but altogether too broadly or too loosely phrased to be helpful in planning an advertising campaign. Of course you want more business. The only department in the whole insurance world that does not hope for more business is the loss department. The "more business" hope, like the hope of a long, happy life and immortality, ramifies your whole life. You must break it up before you can make it a part of your advertising. Just what kind of business is it you want most of all?

Who can give it to you? How can those who can patronize you be reached, interested, and influenced? That's what must take place in regard to reason (1) before it becomes data for advertising study. But we can start with your desire to keep your name before your people.

The Ball Player's Silk Hat

If the assumption that you represent, as local agent, one of the big, well, and favorably known companies now doing national advertising is well founded you can get some helpful counsel from the story of the ball player who wore a silk hat.

The story goes that a few years ago there was a third baseman in one of the minor leagues who harbored the notion that he was good enough to travel in big league company. Still, as every third baseman in every minor league has this conviction, there was no novelty in the viewpoint of the hero of this tale. But besides his undeniable ability to field a difficult position well, this particular ball player had a generous dash of originality in his makeup. He realized that to gain the attention of the big league scouts, he must stand out from the crowd of third baseman scattered throughout the minors.

And so, when he made his contract one year, he specified that he must be permitted to wear a silk hat in every game. The management protested, but the player was firm. And so behold the novel spectacle of a third baseman in uniform, playing a snappy game at third—

crowned with a glossy silk topper! Paragraphs began to appear in the sport pages throughout the Middle West about this freakish player who could play such a sterling game at the hot corner of the diamond—with cool aplomb, and wearing a silk hat in jaunty fashion. Imagination invested him with greater ability than he really possessed. He became a local celebrity—the news traveled throughout baseballdom—and to make a long story short, a big league scout came and saw and recognized that the boy *was* a good player. And he *did* get a chance in the big league. From the Bush to the Big League—because in addition to his ball-playing ability, he had originality enough to lift himself out of the crowd.

When an insurance company advertises in a big way it offers the silk hat of public prominence to all of its agents. Consistent national advertising has made the names of a few insurance companies familiar all over the land; and this great wealth of public acceptance becomes the personal property of every agent who does business under the sign of one of these companies.

There may be several good agents within your cruising radius but you may be the only one with anything like a background of immediate, instinctive recognition by the insuring public. People who may not know *you* as a person, will, the minute you identify yourself as the agent of a company they know, recognize you as a matter of course.

Recognition—the standing out from the crowd—this

prominence and public confidence is a great asset to any agent and is one of the most powerful and effective aids to better and bigger business. It is the intangible, unweighable wealth of favorable public opinion that is delivered to you along with your certificate of authority as an agent and with your supplies.

In your local advertising, in your contacts with business men, in your publicity methods, your identification as the agent of a well-known, well-advertised company puts you head and shoulders above the crowd.

Advertising for Your Own Benefit

While you were a member of the group, you advertised and paid your assessments that the group and the industry might benefit. Now you must stand on your own feet. You cannot keep from helping a few other agents, or all the agents in your city, but you can direct your advertising so that it points directly to you and your office. That means that you point out the things you do. In pointing them out you emphasize why property holders should seek you out to be their insurance man.

It is really surprising how easy this can be done. I know of one very successful campaign built entirely upon the theme:

"I write my own policies, sign them, make them effective and hand them to you, right in my own office. I have authority from my companies to do this."

Now it made no difference, in that case, that every

other agent in the town could do the same thing. None of them had ever said, in the public prints, that they could. The advertising did not say that other agents could not sign policies. By saying so simple a thing first, and reiterating it over and over, that agent built up for himself a reputation as the leader—the man who signed his own policies. That is the way reputations are made.

So I believe the best way to cash in on local agency advertising, over the years to come, is to decide what sort of an agency you want, say five years from now, and tell people over and over that that is the kind of an agency you are running.

Having decided the place your agency is to hold, and the points about the personality of it you are going to emphasize (which decision is one that no man and no book can decide for you), the next thing that you must do is to make another decision. What form of advertising, of all the many and varied forms available to your use if you can pay the price, offers the best and most direct channel between you and your prospects? You cannot use all kinds of advertising: you should not use them all: there is no necessity for using every form of advertising presented by the salesmen who flock to your door. There is some particular form of advertising expression that fits your need and your purse. You will hit upon it just as you find your simple mid-day lunch on the most complicated bill-of-fare, or buy a motor car that pleases you, or select clothes that fit your body and your purse;

all without being a glutton for food, a fool for automobiles, or a tailor's dandy.

Newspapers Give Background

Publication advertising is the background of the largest number of the conspicuously successful advertising campaigns. The magazines are used by the insurance companies and other selling organizations for their advertising background solely because the whole country is the territory of the companies. Publication advertising has, and will continue to be, the basis of whatever advertising is done for you by your companies. The purpose of such advertising is clear. It is used to meet the necessity:

First, of keeping the need of insurance more definitely in the minds of property owners;

Second, of making the name of the company doing the advertising better known to the insuring public;

Third, of supplying the local agents of those companies with the talking points of a well known name and an established reputation; and

Fourth, of bringing about a great appreciation on the part of the public of the service which the agents of these well advertised companies can give to property owners.

The companies use the magazines because they are the most economical medium with which to cover the market, which is the whole country. If the business of the companies was restricted to a few states, or to a single state,

there is no question about the type of publications that would be used. The American newspaper, it sometimes seems, was conceived and developed to fit the local agent's use for local background advertising. His business is a local one: his home town paper is local. So you may safely put down on your chart as one of the things you should do after a cooperative campaign: "Use the local paper for local background advertising."

Do not decide that I wobble in my thinking if you detect in this chapter an apparent inconsistency in point of view with previous chapters. Heretofore your advertising has had before it the need of educating your people on insurance. Now you assume a different rôle. Your needs are different. The point of view in which you approach your advertising is different. Then your task was to instruct; now it is to remind.

As a member of the group you were working to attract attention to the great business of *insurance*. When you step out to the center of the stage as THE INSURANCE AGENT you want the spotlight. It is good showmanship, and it is good local agency practice. To your people you are *Insurance*. Of course your newspaper messages must be *your messages*. Why shouldn't they be? You pay the bills and you profit—if you do the job well.

There are all manner of ways of conducting local agency advertising in a local paper—as many ways as there are agents with personality to magnify and multiply. In general, however, the most successful plans can

be split up into two broad classes. In one class you will find the campaigns based upon frequent use of what may be called small space; the other the fewer, but extremely conspicuous group of users of big space at infrequent intervals. By small space users is meant that group, comprising about 75% of all agencies, who use display space in a local newspaper at least once a week averaging six inches, one column wide, or 84 lines as advertising is usually measured. Taking all the papers in the state of Missouri,[1] to pick on one state at random, the average cost of a six inch advertisement would be $2.43 per issue, or $126.36 for a year's display. When I speak of big space I have in mind spaces running larger than quarter pages. The size most favored by big space users is one 18 inches over four columns, or 1008 lines, closely followed by the smaller group who use full page units of display.

No advertising manager, and no student of display, can state with exactness the best period of frequency in which these big displays must appear to reach the maximum of efficiency. But you have a good guide in the practice of successful advertisers in the magazines. If once a month is favored by those advertisers who have

[1] There are 454 country or weekly papers, and 55 daily papers in the state of Missouri. A six-inch advertisement in all the country or weekly papers would cost $892.30 per week, or an average of $1.965 per paper. In the daily papers the same advertisement would cost $334.43 per week or an average cost of $6.08. To run a six-inch display in all the Missouri papers would cost $1,226.73, or an *average for the* 509 of $2.429 each.

checked the results of their advertising over long periods of time, you have a guide in the use of big space. An eighteen inch over four column display, used once a month will use, and cost, about three times as much as the weekly use of a small (six inch, single) display.

A Smash and Reminder Plan

There is a combination of the big and small space that has many points in its favor. This plan contemplates dividing the year's campaign into four sections, or four little campaigns, each succeeding campaign being a chapter in the comprehensive development of the agency. The first advertisement in each little campaign is a big one, in which the story is quite fully developed and told as completely and as dramatically as can be done. No attempt is made in the initial message to fill in all the chinks of argument, however, for following the opening smash, twelve small advertisements pick up the main story and repeating the principal arguments, fill in and round out that argument, keeping it alive for the three-months period. Then, as though to give the idea the added impetus of a smashing advertising display, another chapter is opened, and the process is repeated and this goes on and on; for when once you have made newspaper advertising a part of your local agency work, it should be looked upon as one of the working tools of the office, much as you use a typewriter, the telephone, and your automobile.

A Sketchy Plan

It is not my purpose here to do more than hint at and present a sketchy sort of a plan for your advertising to follow in the wake of a cooperative campaign by the local agents of your community. The matter of individual local agency advertising has been covered by another book.[2] It might be in order, however, to briefly outline a plan that you can round out and elaborate to fit your needs if you should decide to go further into this interesting matter.

As stated it is good practice, in local agency advertising, to use the newspaper to give any other advertising you may do a fitting background, but not to expect, from that alone, to secure direct returns. Rather this background advertising should aim to increase the present good-will of the agency and to carry your name to those who may be your active prospects tomorrow, in this way establishing your reputation with people who might not be reached in a more personal and direct way. It should also be the purpose of the background advertising to make the sale of your services and the services of your entire agency organization easier by reducing the sales resistance so common to insurance. Incidentally the newspaper can well be used to introduce to your present customers, and to prospective customers, the newer and less

[2] *Advertising Property Insurance* by J. W. Longnecker and A. W. Spaulding, published by Rough Notes Publishing Company, Indianapolis, Indiana.

understood kinds of insurance you have for sale; the things commonly grouped under the broad and inclusive heading of "Specialty Lines."

Starting the Campaign

Any advertising calls for advertising material and advertising ability. Just as you know, because you are a seller of insurance, that it is an evidence of good judgment for an owner of insurable property to call upon a well-informed insurance agent for counsel and advice, it is good business for an advertiser to call for help in working out the details of any plan upon those who have advertising to sell. You can quickly tell when the man you call in is more interested in the size of the order he expects to get from you than he is in the success of your campaign. If, after your first talk, you cannot trust him to work with you, there is but one thing to do—turn to somebody else for counsel.

If you follow that suggestion, you will probably call first upon the advertising manager of the local paper to talk things over and get to a full understanding with him. You may also sign the contract for the space your campaign calls for and thus be sure of the best price discounts and other details of a business nature.

As a general thing the local agent will be entitled to the same rate that is charged to local merchants, and there is usually quite a differential in favor of local advertisers, as compared with the rate that must be paid by

the big national or general advertisers. When the time comes for the making of a contract have the publisher go into the set-up of his rate so that you may know just what you are buying and the whys and wherefores of the rate charged. Use the best paper—the one that reaches the largest number of the type of people you know by experience should be interested in the story you have to tell. It is not essential that you like the paper, or that you always agree with it in its editorial expression, or in the sort of news it prints. If the people you want to reach read it regularly, that should be the controlling factor in the selection of a paper, if there be more than one printed in your city. Do not buy your space on the basis of the insurance its owner places with your agency. Whether or not you carry the line has nothing to do with the value of the space, though, of course the owner of the paper may be expected to read your story and to be impressed by it.

Having made your deal with the publisher or with the advertising manager of the paper, you will next need copy to use in the space you have bought. The advertising department of some company you represent will probably be able and willing to take from your desk the detail of writing the copy, subject, of course, to your careful scrutiny and your editing. Or, perhaps, you can write your own copy with the help of this and other new books on insurance advertising.

Direct Mail Advertising

No matter how big a place you give to your newspaper advertising, it can be only one side of the triangle of a complete campaign. The other side is direct advertising, presumably by mail, and the base is personal solicitation.

In any direct-by-mail advertising the list of names of prospects is of primary importance. This is your market —it carries the names of the people you hope to interest in your proposition.

I have been told, and in turn tell you, that eighty per-cent of the world's business is done by mail. In the insurance business the figures do not reach anywhere near the average, but local agents are learning by experience that a great deal of the preliminary work of the sale of many kinds of insurance can be well done by direct-by-mail advertising, when backed with a well-known name.

I have often suggested to agents that they develop their direct-by-mail advertising by considering the field from three points of view, something as follows:

A—Reminder stuff sent to those prospects with whom you have never had business connections and whom you cannot reach by a personal call in the immediate future.

B—Circular letters asking specifically for an interview. These letters are intended to pave the way for a personal approach. Prospects to whom these letters would go might be classed as "preferred" and consist of people with whom you have had some little contact, possibly done a little business with them, or whose names you have had on your books at one time or another, or

they might possibly be those owners of large properties in which you are only slightly interested.

C—A group of prospects who should be seen at once and solicited personally. Individuals of this type may have a line that is due to be placed in the near future. At all events a personal contact and solicitation is of first importance. The lead that prompts a letter or a call may come from a friend's tip, an item in the paper, a suggestion from the home office of a company, or from any one of a thousand other sources.

You will therefore see that your "A" type of prospect is the man with whom you may some day do business. He may be a total stranger, or a friend who is not the owner of a large amount of insurable property, but, nevertheless, the man's good-will is of value to you. The men whose names are on this list ought to receive some message from you at least once a month. It might be a brief selling message multigraphed on a government postal card—nothing sloppy, but a message neatly arranged and carefully thought out. A blotter could serve if it had a memo clipped to it. An agency house organ, even of the simplest form, serves this purpose admirably. There are services for sale that make a point of meeting this need. Some of your fire insurance companies can help you out with monthly reminder pieces. The companies are usually very willing to do this when the advertising manager knows that the material he is furnishing is being used on a regular plan.

Agents who make a practice of regular monthly mailings tell us that they receive about enough new business

that is traceable, to pay the cost of the regular mailings without personal solicitation; and of course these new lines go into the profit-producing class on renewal. A few more cases might be expected to furnish leads that will result in business when followed up in person. But it is certain that the greatest good will come from the general impression that will spread through the town that you are "on the job." It is always easier for the agent who has the reputation of being *the agent* to get personal interviews than for the one who is not so known.

The Type "B" Prospects are Key Men

The men whose names should appear on your list of Type "B" prospects are the key men of your community. They are preferred prospects in every respect. They are men of property; men who control big affiairs; people who can, if they are so minded, give you insurance to write that will make your business grow. There is, in addition to the fact that these men own and control property, another fact of great importance. Your Type "B" prospects can be easily located and classified. They cannot hide. Their names are in the telephone books and the directories, and their connections are known to all. Certain of them can be listed for automobile insurance, others for business interruption insurance, and yet others for all the various forms of liability insurance so important to big business today. But the prominence given to the men whom you will have on your preferred list, also

makes them targets for the solicitation of all other up and coming agencies in the town. Therefore your direct-by-mail work on the Type "B" prospects must be better in its concept and better in its application than the average of such work as done by other agents if you are to make the impression you so desire.

Circular letters will go a long way toward getting your plan and your proposition before Type "B" prospects, especially if great care is taken in the form and character of the letters, such as careful fill-in and pen and ink signatures, to say nothing of fitting postscripts. The follow-up, by telephone and in person, is also something that calls for tact, courtesy, and persistence, for the direct-by-mail advertising cannot be expected to do all the work. There is need here for personal selling and a lot of it.

Reminding the Type "C" Prospect

The business you will get from each Type "C" prospect depends upon the method you use in each individual case. They are important, but each case must be studied in relation to the information you can dig up about the man and his needs. The only hard and fast rule that can safely be laid down for the Type "C" prospect is to never let the man forget you. When you have something of interest regarding either the man or his property, or your own service, go after him hard, either by a special letter, a telephone call, or a personal interview.

A Bond of Good Faith

And as you turn to advertising to cash in over the years to come, bear clearly in mind that the best customers of any agency are the business men of the city. As business men they use advertising to promote their own business. They buy from advertisers. They sell to advertisers. They know that advertising is a public pledge of intention and a bond of good faith with the public. These business men also know that performance must follow promise because advertising quickly kills a weak proposition or an unsound service.

Then, too, bear in mind the effect your advertising will have on your own organization, from president to office boy. You will find that there is in every individual a certain pride in being a part of an agency that tells the world that it is out to serve—and that backs up its promises with outstanding performance.

A well-planned advertising campaign works upon you and your associates in this manner—it is your pledge to the public. To make it as effective as possible, you have your advertising man put forward the biggest, the best side of your agency. This advertising goes the limit of what you can deliver at that time, and as you grow, the advertising is always on the border line of what you can perform, always stretching you to live up to the promises made for you. That makes you grow more.

Your salesmen, your solicitors, your countermen—

everybody who comes in contact with the public will tell you that it makes a difference in the resistance they meet whether there is advertising back of the agency or not.

But a little advertising is a dangerous thing. It is a force that gains momentum as it goes on and as month follows month. The very strength of good advertising is one of its weaknesses—the good-will you buy by advertising can only be held by continuous advertising, for should you advertise and quit, somebody else may come along and use the force you developed to win from you the place you have gained. Advertising, and advertising alone, will help you keep your place in the minds of your people. By forceful, interesting advertising you can cash in over the years.